

**FINAL BUDGET
FISCAL YEAR 06/07
JULY 1, 2006 THROUGH JUNE 30, 2007**

**Gavilan Joint Community College District
5055 Santa Teresa Blvd.
Gilroy, CA 95020**

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FY 06/07

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EXECUTIVE SUMMARY - FINAL BUDGET FY 06/07

September 12, 2006

INTRODUCTION

The Board of Trustees, faculty, managers and professional support staff of Gavilan College have outlined primary values through a strategic planning update process. The product of this process is the new five-year Strategic Plan 2006-2011. The District is also in the process of integrating all planning efforts to include the Strategic Plan. Resources are allocated to the priority activities identified through the strategic planning process.

Consistent allocation of financial resources to strategic plan initiatives has resulted in improved learning and working environments at Gavilan College. Capitalizing on past successes, Gavilan College continues to focus on supporting its service communities' and increased access to the District through educational sites in Hollister and Morgan Hill. The schedules of classes at all sites are arranged so that students are able to further their goals by access to a wide range of courses at the sites.

In response to current and possible continued state budget issues, Gavilan has repositioned itself to a smaller but adequately supported program. This matches program costs with available resources. This also offers Gavilan the opportunity to manage program growth efficiently once additional resources are available.

Gavilan College has been concentrating on achieving maximum FTES to obtain and stabilize growth revenue funds. However, in FY 03/04 the District did not have an increase in growth and in FY 04/05 and FY 05/06 there was only a slight increase in growth. This emphasizes the District's need to maximize growth to the level of funding and also enhance non-state sources of revenue.

Several institutional initiatives have been developed to maximize FTES, become the "College of Choice" and capture the estimated 31% of students residing in Gavilan's service area but leaving to attend surrounding community colleges. These initiatives include implementing web registration, increasing full time faculty, conversion to a compressed, sixteen week semester schedule, development of the Early College project, High Step program and Transfer Institute.

With the passage of Gavilan's \$108 million Measure E General Obligation Bond in March 2004, the Board of Trustees has taken a number of steps in the implementation of Measure E. For example, the Board of Trustees has:

- Approved Resolution #847 to acquire property in Coyote Valley. The District currently is conducting an extensive due diligence process to ensure the site is useable as a community college campus.
- Approved the formation of the San Benito County Site Acquisition Subcommittee to consider possible sites for a full college campus in San Benito County.

- Approved a two-volume Facilities Master Plan, dated February 14, 2006, that defines the scope, budget, and schedule of each of the Measure E construction type projects. The first of these projects includes infrastructure upgrades, interim housing/swing space, and the modernization of the science building complex.
- Approved, through the issuance of a Request for Proposal (RFP), a vendor in the purchase of an Enterprise Resource Planning (ERP) computer system.
- Approved the second allocation of an estimated total \$1 million in new computers.

Unrelated to Measure E, the Board of Trustees has also authorized the establishment of a Property Development Fund to track the expenditure of funds associated with the Gavilan golf course development activities.

BUDGET HIGHLIGHTS

UNRESTRICTED GENERAL FUND REVENUE

Funding from the State of California is currently determined by an allocation methodology referred to as Program Based Funding. Program Based Funding provides each college district with an allocation equal to the prior fiscal year revenue, referred to as the base revenue, plus increases for growth revenue, cost of living allowances (COLA) and program improvement funds.

In FY 06/07, it is expected that Gavilan College's base revenue of \$20,532,962 will increase from FY 05/06 by a net \$2,271,471 for a total of \$22,804,433. The FY 06/07 Final Budget is based on growth revenue of \$250,000, a COLA of \$1,221,471 (5.92%) and equalization funding of \$800,000.

As noted above, the District has included \$800,000 in equalization funding. This funding is contingent on the passage of SB 361 (Scott). Among other items, SB 361 will provide \$159.4 million in equalization funds to permanently equalize funding rates so that every district is funded at the same rate. Gavilan's current estimated allocation is \$1.4 million.

In addition, with the signing of the State Budget, but not included in the District's Final Budget FY 2006/07, are one-time funding allocations. The District is in discussions on how to allocate these funds while reinforcing the concept that the Strategic Plan should determine the priorities for funding. There is approximately \$428,000 in one-time general purpose (unrestricted) funds and approximately \$682,000 in specified (restricted) funds.

The Final Budget shows a "breakeven" budget. Although the budget is "breakeven", the potential of a deficit is a concern due to the uncertainty of the State budget, specifically SB 361. The District has adequate reserves to deal in the short term with a deficit if it should occur. But a deficit is an on-going structural imbalance between revenues and expenditures. If a deficit is not attributed to one-time expenditures, unless eliminated, the deficit will compound and grow each subsequent year. The District is committed to increasing the surplus in order to increase the District's reserves.

For this Final Budget revenues available for appropriation, including local, non-State revenue in FY 06/07 are estimated as follows:

State Revenue including local property taxes & fees	\$	22,804,433
Less property taxes		(12,982,000)
Less Enrollment fees		(1,300,000)
Part-time Faculty		206,293
Enrollment Fee Waiver Admin		18,570
Lottery		740,000
Mandated Costs		50,000
Actual State Revenue		9,537,296
Local Property Taxes		12,982,000
Enrollment Fees		1,300,000
Interest Income		223,478
Non-Resident Tuition		65,000
Golf Course		30,000
Other Local Revenue		165,100
Total	\$	24,302,874
Transfer Requirements		(1,433,376)
Net Revenue Available for Appropriation	\$	22,869,498

UNRESTRICTED GENERAL FUND EXPENDITURES

SALARIES AND BENEFITS - 80% OF GENERAL FUND EXPENDITURES

Gavilan College has negotiated multiple year agreements with the Gavilan College Faculty Association (GCFA) and the California School Employees Association (CSEA). Salary increases for FY 06/07 have been negotiated and have not yet been finalized. The multiple year agreements have helped provide increases that will allow Gavilan College to remain a competitive employer by providing a salary equal to the Statewide median while controlling the increase in its largest category of expenditure.

TELECOMMUNICATIONS

Gavilan College has continued to enhance its telecommunications system through high-speed Internet access to the instructional sites. Funds had been set aside and work is now complete providing telephone enrollment access for students. Work to provide on-line enrollment access to students is progressing and is being implemented this fall. The first part of this process is upgrading the existing HP 3000 main frame for the short term and implementing an "integrated system" for the long term. Grant funding has enabled the development of new computer laboratories for Math and ESL, Smart Classrooms and a Staff Resource Center. An electronic student appointment system is in full use. Students are able to make appointments to meet counselors electronically and student data collected will allow counseling, DRC, EOPS, and CalWORKS to track appointment patterns of students. In addition, general fund monies, if possible, will be earmarked to create an electronic student record database. These programs enhance Gavilan College's efforts to bring high technology to the classroom; a primary initiative identified through the strategic planning process and the Educational Master Plan.

STRATEGIC PLANNING AND BUDGET DEVELOPMENT

Discretionary funds are allocated to obtain the resources necessary to implement the Strategic Plan and the Educational Master Plan.

LONG TERM OUTLOOK

In spite of the current economic downturn, the communities of Gilroy, Hollister, and Morgan Hill continue to record growth. Hollister is the largest city in San Benito County. The population in the community of Hollister grew an estimated 0.5% from 2004 to 2005 with the County's growth estimated at 0.9%. Population projections forecast San Benito's total population will reach 86,800 by the year 2020. However, two potential housing developments are being proposed and if approved, could add up to 25,000 new residents. The cities of Morgan Hill and Gilroy recorded the highest growth in Santa Clara County between 1990 and 2000. Gilroy and Morgan Hill retained high growth from 2004 to 2005 with an estimated increase in population of over 2%. Projected growth for Morgan Hill in the year 2020 is estimated, by the Association of Bay Area Governments (ABAG), to reach 60,445. ABAG projects growth in the City of Gilroy to reach 69,311 by the year 2020. In addition, the development of Coyote Valley as outlined in the Coyote Valley Specific Plan could result in a population of 80,000 within 30 years. Growth in the service community expands the District's student base while adding stability to enrollment levels. This growth also provides opportunities for the District to provide new or enhanced programs and services to meet the needs of the community.

CONCLUSION

The economic conditions in California are resulting in additional financial resources to community colleges based on possible funding opportunities in the State budget process. FY 06/07 may provide Gavilan College with enough resources to stabilize the Budget and to make a few improvements in achieving the goals of the Strategic Plan and the Educational Master Plan. Through its Strategic Plan, Gavilan College has positioned itself to expand and take advantage of the additional growth opportunities in the immediate fiscal year. Revenue available for program enhancements will be used to provide quality education to the communities served by the District. As a cautionary note, over the long term we recognize that Gavilan College will need to be diligent in its efforts to achieve the ever-increasing level of FTES required to generate additional revenues.

GENERAL INFORMATION ABOUT GAVILAN COLLEGE

Gavilan College was originally established in 1919 as San Benito County Junior College. It operated under this title until 1963, when a new community college district was formed that included both San Benito and southern Santa Clara Counties. Successful passage of a local bond in 1966 provided the needed funds to construct the present campus at Santa Teresa Boulevard and Castro Valley Road in Gilroy, California. In the fall of 1999, the College celebrated its 80th year of operation as a community college.

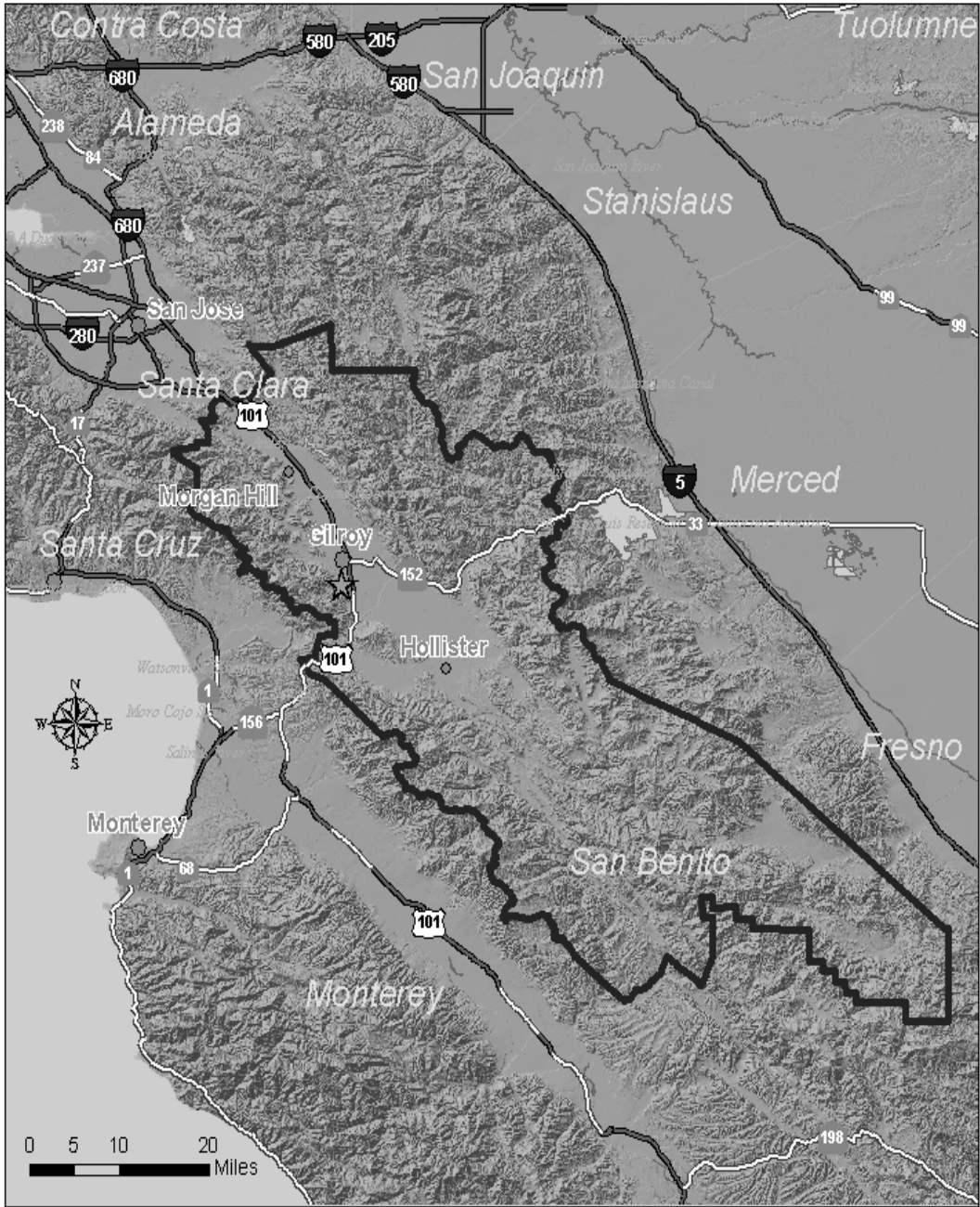
Gavilan Joint Community College District is one of 109 California Community Colleges. Community Colleges are political subdivisions authorized by the Constitution of the State of California. A seven-member board of trustees governs Gavilan College. The voters of the communities served by the District elect board members to office. The Board of Trustees is responsible for the overall direction and control of the District so that it best meets the needs of the community it serves.

The District operates two instructional sites in Hollister and Morgan Hill to augment their curricular offerings at the main (Gilroy) campus. These two sites are an integral part of the district's effort to enhance student access to a college education. The District also operates an aviation classroom and laboratory at the Hollister Airport. Gavilan College is a public community college offering a wide range of services, including programs of continuing study in liberal arts, pre-professional, business, vocational and technical fields. Courses are offered in the day, evening and on weekends. In FY 04/05, Gavilan College served an estimated 8,500 students. Gavilan College employs 216 full time equivalent permanent employees and approximately 140 part time faculty employees each semester.

The main campus in Gilroy rests against the foothills that form the western boundary of the Santa Clara Valley. The District is 35 miles south of San Jose, 80 miles south of San Francisco, and 40 miles northeast of the Monterey Coast. The main campus was initially master-planned to accommodate an enrollment of 5,000 students and rests on a 150-acre site that has been carefully planned to take advantage of the beautiful, natural and tranquil setting.

SERVICE AREAS OF GAVILAN COLLEGE

The present Gavilan District serves residents of the Gilroy Unified, Morgan Hill Unified, Aromas-San Juan Unified, and San Benito Joint Union High School Districts. This is a total population of approximately 115,000. The Gavilan District is comprised of approximately 2,700 square miles in southern Santa Clara County and all of San Benito County. The District's service area is detailed in the following map.



Legend

-  Gavilan College District Boundary
-  Gavilan College Main Campus

Gavilan Research Office 2004

Information about each service area is presented below:

San Benito County is located at the southern end of Santa Clara Valley between the Gavilan and Diablo Mountain Ranges. San Benito County is a 1,396 square mile section bordered by Fresno, Merced, Monterey, and Santa Clara Counties. San Benito County's population has increased steadily. The population grew 24.6% from 1996 through 2003. The population of the County at year end for 2005 is estimated by the California Department of Finance at 57,627. The area has become a relocation spot for urban Californians looking for affordable housing.

San Benito has a varied economic base that is dominated by government, retail trade, and manufacturing industries. Historically, San Benito is largely an agricultural county with the industry employing 13.9 percent of total employment. The County's average unemployment rate dropped below California's rate in March 2006. The U. S. Census Bureau estimated the median household income for the County at \$56,279 in 2002.

Gilroy is located in Southern Santa Clara County and is comprised of 9,376 acres of land located 30 miles South of San Jose and 15 miles Northwest of Hollister. Like San Benito County, Gilroy is experiencing sustained growth. Gilroy has developed from a rural, agricultural community to the fastest growing city in the Silicon Valley. From 1996 through 2003, Gilroy experienced an average annual increase in population of 4%. Gilroy's population, as estimated by California Department of Finance, at the conclusion of 2005 is 48,527.

Growth in Gilroy has centered on high tech software and support industries as well as a number of manufacturing and production industries. Gilroy's industrial base includes food processing, sophisticated food processing, high tech software and semiconductors, wood, paper and metal fabrication and wine production. Gilroy is known as the "Garlic Capital of the World" because it processes garlic and plays host to over 125,000 visitors at the annual Gilroy Garlic Festival. ABAG projects the mean household income for the year 2005 at \$86,523.

Morgan Hill is located at the Southern end of Santa Clara Valley and is 13 miles North of the College. Morgan Hill is 10 miles South of San Jose and 70 miles South of San Francisco. The City limits of Morgan Hill covers approximately 12 square miles. Morgan Hill's desirable location has made the City one of the fastest growing communities in Santa Clara County. It grew annually by an average of 3.2% between 1996 and 2003. The California Department of Finance estimates Morgan Hill's population at the conclusion of 2005 to be 37,091.

Morgan Hill's work force includes a large number of highly technical and scientific people, many commuting to the Silicon Valley to work. It is home to two of the ten largest business parks in Silicon Valley. Primary employers in Morgan Hill are manufacturers of electronics products and sports equipment and service providers specializing in precision machining and software duplication. Morgan Hill is also the home of a number of mushroom farms and wineries. The mean household income for the year 2005 is projected by ABAG to be \$116,404 for Morgan Hill.

Coyote Valley Development is an area North of Morgan Hill and South of Bernal Road in San Jose. As outlined in the Coyote Valley Specific Plan, the population in this area could reach 80,000. This expansion would justify establishment of a second campus. Because Coyote Valley resides within the Gavilan College service area, it is Gavilan College's responsibility to serve this area.

MISSION OF GAVILAN COLLEGE AS DEFINED BY THE BOARD OF TRUSTEES

In an environment that nurtures creativity and intellectual curiosity, Gavilan College serves the community by providing a high quality learning experience which prepares students for transfer, technical and public service careers, life-long learning, and participation in a diverse global society.

ACCREDITATION

Gavilan College is accredited by the Accrediting Commission for Community and Junior Colleges and the Western Association of Schools and Colleges. The District's current accreditation is valid until 2007.

PROGRAMS AND SERVICES

Gavilan College offers an Associate of Arts degree and an Associate of Science degree. Transfer agreements exist between the University of California and California State systems. These agreements allow students to complete the first two years of a four-year college program at Gavilan.

Certificate and career programs are also offered to provide instruction in the skills and knowledge needed to enter a skilled or semi-professional occupation. To promote lifelong learning short-term, not for credit classes are offered through the Community Education program. Those courses typically include instruction in computer training, business, finance, children summer programs, physical exercise and recreation.

ORGANIZATION AND PERFORMANCE OF GAVILAN COLLEGE

The District operates under the direction of the Superintendent/President. The District is organized into three primary divisions: Administrative Services, Instructional Services, and Student Services. **Exhibit 1** is an organizational chart effective July 1, 2006.

Administrative Services is responsible for the administrative support of the District. Administrative services' includes: Equal Opportunity and Grievance Officer, Risk Management, Facility Construction, Faculty and Classified Negotiations, Health and Safety, and Internal/External Contract Management. Departments include: Business Services, Human Resources, Facilities' Services, Management Information Systems (MIS), and Security & Support Services.

Instructional Services is responsible for the educational program and grant writing of the District. Curriculum, the schedule of classes, program review and development of new educational programs and services to meeting the needs of the community are the broad responsibilities of the division. Each full-time faculty member receives a teaching load assignment of 14-16 lecture equivalent hours per semester. This teaching load is consistent with other California community colleges. The number of students per class varies widely between basic skills, transfer and vocational courses. However, the overall efficiency of course scheduling and loading needs to improve in order to decrease costs without reducing

the benefit to students. Full-growth funding and achievement of maximum enrollments will allow the District to increase its ability to enhance programs and serve students.

Student Services is responsible for assisting students in entering college and completing a course of study. Special support programs to assist students in being successful as college students are under the operating control of the Student Services division. Student Services include: Admissions and Records, Financial Aid, Counseling, Disability Resource Center, Extended Opportunity Program and Services, Health Services, Career Transfer Center, and the Hollister and Morgan Hill off sites.

TOTAL RESOURCES AVAILABLE TO OPERATE GAVILAN COLLEGE

To support the operations of Gavilan College, financial resources from a number of different origins are used. Many of the resources provided to operate District programs and functions specify the nature of expenditures that may be made with those resources. The District actively pursues special sources of funds that provide services that enhance the general operations of the District. Revenues received and expenditures made from special sources are separated from the District’s general operating fund to allow better accountability for the disposition of those funds. To fully understand the operations of Gavilan College, it is necessary to consider all resources applied to provide services.

The funds used to account for the services and the projected cost of expenditures for FY 06/07 are as follows:

**Schedule of Resources Available to Operate Gavilan College
Final Budget FY 2006-07**

Unrestricted General Fund	\$ 22,869,498	43.71%
Instructional Equipment	148,697	0.39%
Parking Fund	219,306	0.42%
Restricted General Fund	5,749,479	10.99%
Child Development Center Fund	724,300	1.38%
Capital Projects Fund	106,630	0.20%
Measure E Debt Service Fund	2,881,140	5.51%
Measure E Construction Fund	17,652,760	33.74%
Associated Student Body Fund	108,200	0.21%
Financial Aid Fund	1,726,233	3.30%
Student Center Fund	<u>130,883</u>	<u>0.25%</u>
Total Expenditures	<u>\$ 52,317,126</u>	<u>100.00%</u>

BUDGET DEVELOPMENT AT GAVILAN COLLEGE

INTRODUCTION

Gavilan College is subject to the provisions of the California Code of Regulations and other laws that regulate the operations of public agencies. The California Code of Regulations requires that the governing board of a public agency adopt a Tentative Budget on or before July 1 and a Final Budget no later than September 15 of each year.

This Final Budget is prepared to comply with the California Code of Regulations and is used by the governing board and District administration in planning for the operations of the District for the fiscal year period July 1, 2006 through June 30, 2007. This budget uses assumptions to develop revenue and expenditure projections. The assumptions are based upon information from the Chancellor's Office, California Community Colleges and judgments made by District staff as to the financial implications of anticipated District operations.

The Board of Trustees provides budget guidance to the Superintendent/President who in turn formulates goals and objectives for the operating divisions. The Board communicates its goals and objectives to the Superintendent/President through the Strategic Plan and the Educational Master Plan. The Board of Trustees generally adopts a **Budget Calendar (Attachment A)**. **Budget Guidelines (Attachment B)** are also adopted and are used to provide more specific directions regarding the allocation of resources to ensure objectives of the strategic plan are achieved.

In addition to the Governing Board's actions, the District's internal participatory governance process mandated by AB 1725 operates concurrently to inform all members of the District constituencies about resources expected and allocations of resources consistent with the strategic plan goals and the Board's Budget Guidelines. The College Budget Committee has been established to meet the AB 1725 requirement. The College Budget Committee is provided full information about the District's operations and financial position.

IMPACT OF THE STRATEGIC PLAN

The Board of Trustees, faculty, managers and professional support staff of Gavilan College have outlined primary values through a strategic planning update process. The product of this process is the new five-year Strategic Plan that identifies objectives for 2006-2011. The Board of Trustees strategic planning values and objectives are included as **Attachment B** to this report.

The Strategic Plan states broad values that allow the administration to define implementation activities. The strategic planning committee continues to review new initiatives and provides direction to the administration in identifying programs and activities that it feels will support strategic plan values. The budget process is used to allocate available resources in a manner that will ensure funds required to implement action plans are provided. Funds have been allocated to develop a telephone and on-line student

enrollment capability and to further develop the District's ability to provide greater access to technology and the associated training and support needs.

As part of the strategic plan update process, the January 2000 Educational Master Plan has been assessed for completion of activities and a new plan is in the process of being developed. The updated Educational Master Plan will consist of the unit plans developed by the departments, programs and services at the District along with the unit activities that support the strategic plan objectives. These unit plans will be updated each year for budget development, every four years when the unit is reviewed by the Institutional Effectiveness Committee and every four years for accreditation. This will satisfy the accreditation requirement to integrate planning efforts. The Educational Master Plan focuses on the instructional and student services programs of the District and the support services and facilities that will be necessary to provide the instruction and student service programs. The Educational Master Plan produced a series of program changes as well as standards of support necessary to effectively provide the highest quality programs that the District is capable of delivering. Both the Board of Trustees' Budget Committee and the College Budget Committee review the budget to ensure that the allocation of resources is consistent with program changes identified through the Educational Master Plan process and the supporting Facilities, Technology and Staffing Plans.

FISCAL STANDARDS

Gavilan College follows standards that impact revenues and expenditures. The Strategic Plan identifies the long-term direction and goals of the District while these fiscal standards set an operations baseline that is applied to maintain acceptable operating standards in pursuit of Strategic Plan goals.

OPERATING BUDGET STANDARDS

Total Salaries and Benefits - Total salary and benefit costs should not exceed 80% of total expenditures. This level is consistent with other California community colleges. Within this expenditure level is the flexibility to increase or decrease actual expenditures because about 9.0% of budgeted expenditures are paid to part time faculty members who work on an assignment by assignment basis. Permanent additions to staff levels will be made under the following conditions:

- 1) Increases in full time faculty personnel required by increased State funding.
- 2) Additional staff that will result in an increase in FTES revenue.
- 3) Inability to obtain part time faculty within an academic discipline.
- 4) Workload demands resulting from growth and increased volume of work.
- 5) Enhancements to support services necessary to support growth in instructional programs, student retention efforts or increased technology.

Salary Rates - The Board of Trustees follows a practice of retaining a salary structure that is equal to the median range of other like agencies. For faculty members, the comparison is made against California community colleges. Classified employees are compared to local public agencies within the District's service area. Administrative employees are compared to California community colleges. The comparison entity bases for Gavilan College positions

have been established in recognition of the target recruitment area that is used to hire employees. For example, recruitment for new faculty members is the State of California at a minimum and usually nationwide. To effectively compete for new faculty members, Gavilan College acknowledges that the salaries should be at the median range of all California community colleges.

New Positions:

Faculty - A full time faculty requirement is established for each college based on prior year base revenues. Increases in full time faculty members are required when a college receives growth revenue or equalization revenue. Gavilan College complies with the State requirement that an increase be calculated to determine the number of new faculty hires that are to be hired as a result of achieving growth revenue.

The District evaluated the need for additional full time faculty members in order to meet instructional demands that are difficult to satisfy because of a shortage of part time faculty members and/or program regulations. After this evaluation, the faculty and administration developed a Five Year Full Time Faculty Hiring Plan (FY2005 – 2010) that will increase full time faculty by 17 over the life of the plan. The fully implemented plan would increase the full time to part time ratio to 65%. A level of 65% appears to be a reasonable goal assuming that class sizes average 22 or more across the campus.

Classified - Classified employee positions are evaluated on a year-to-year basis to determine where additional employees are needed to support student success, the instructional program or to enhance the working and learning environment. Support staffing levels are also considered when evaluating changes to instructional programs and student services.

Maintenance - An allocation of ½ to 1% of the Unrestricted General Fund revenues in excess of permanent staff costs and services agreements will be made each year, if possible, to preserve and enhance the District's investment in its facilities. These expenditures will be used to address recurring and on-going maintenance needs.

REVENUE STANDARDS

Gavilan College actively pursues state funded growth revenue. The District's service area is experiencing steady increases in population as a result of new construction and the migration of families out of the more expensive housing communities to the north of Morgan Hill. Growth revenue is viewed as an essential element in obtaining the resources necessary to meet the Strategic Plan goals of providing increasing community access to the District's educational services and in bringing high technology into the classroom.

Categorical revenue provided by State and local agencies for specific support purposes is pursued by the District when these services are consistent with the objectives of the Strategic Plan. Funding from the Gavilan College Educational Foundation will also be sought to assist in providing funding for specific Strategic Plan projects.

RESERVE STANDARD

General Fund Designated for Economic Uncertainties - The District will budget for a General Fund Designated for Economic Uncertainties of no less than \$1.2 Million. The target is 10% of the Unrestricted General Fund up to a maximum of \$1.5 Million. This is

considered an acceptable level because of the relatively small size of the District's budget. It is to be used for unanticipated and adverse changes in expenditures or revenues.

Debt Service Reserve - The District has begun to build a reserve to fund the liability for retiree health benefits. Each year, if possible, funds will be allocated to increase this reserve.

Investments - Cash not required for ongoing operations will be invested with the Santa Clara County or a Local Agency Investment Fund.

DEBT AND CAPITAL LEASE OBLIGATIONS STANDARDS

Long term debt and capital lease obligations will not exceed 5% of total unrestricted general fund revenue. Long term debt will only be issued to obtain capital equipment or facilities for which State funds are unavailable or insufficient to meet the cost of these projects. Prior to financing any project, an assessment will be made to define how it assists in meeting the goals of the Strategic Plan.

Long term debt will not be used to pay for operating fund deficits.

Capital lease obligations will only be incurred for capital purchases in excess of \$25,000 and will have a lease term of no longer than five years.

Certificate of Participation issues will not exceed 10 years.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING STANDARDS

Independent audits will be performed each year as required by law.

Annual financial reports will be produced in accordance with Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board and, the California Community College's Budget and Accounting Manual.

An internal control structure will be in place to ensure reasonable accuracy of accounting information, to safeguard assets from loss and to ensure operating policies and procedures are being followed.

CAPITAL BUDGET STANDARDS

A Five-Year Capital Construction Plan will be prepared each year. The Plan will be developed based on facility needs identified in the Educational Master Plan.

Each year the District will allocate \$25,000 to the Capital Projects funds to establish a fund to obtain the service of professionals to develop capital projects.

A construction management firm will be used as a project manager whenever there is new construction work in excess of \$750,000 on the District.

Every ten years a Facility Master Plan will be revised.

BUDGET COMMITTEE

The District formed a college budget committee consistent with the requirements of AB1725 that require a participatory governance process be in place to allow constituency groups affected by decisions to be consulted collegially and have the opportunity to comment on the proposed actions. To assist it in providing open access to the budget development process to all constituency groups, the Superintendent/President formed the College Budget Committee. The Committee consists of representatives of the Associated Student Body, faculty, classified, and administrative employees. The committee members receive detailed information about revenue assumptions, expenditure patterns and information about the various financial risks associated with the operation of the District. The Committee meets during the year to review current information about the District's operations and to discuss actual performance in relation to the budget.

BUDGET ADJUSTMENTS

The Board of Trustees approves a tentative budget no later than June 30 of each fiscal year. A final budget is approved no later than September 15 of each fiscal year. The budget includes a number of assumptions about State of California revenue and expenditures related to the operation of the District.

The Board of Trustees establishes the allocation amounts for expenditures based on projected revenues. Funds are allocated in a manner that is consistent with the Budget Guidelines.

The Budget is used to control or limit the expenditure of funds by major expenditure codes defined by the Budget and Accounting Manual. The Board must approve any expenditure in excess of the amount authorized by the Board of Trustees. Adjustments to the Budget are submitted to the Board for approval on an as needed basis. The Budget is then adjusted to reflect the adjustments approved by the Board.

LONG TERM CONCERNS

REVENUES

For the FY 06/07 period, State revenue increased due to an economic up turn. The FY 06/07 Final Budget assumes a 5.92% Cost of Living Allowance (COLA) will be received, an increase of \$250,000 in FTES growth will be funded by the State and the District will receive some equalization funding. This is prior to the possible passage of SB 361.

The significant increase in the population of the District's service area should affect Gavilan College's growth rate in future fiscal years. These revenues are also contingent on State revenues being allocated for this purpose.

EXPENDITURES

Due to the use of Measure E Bond Funds, expenditures related to technology are expected to increase over the next three to five years especially in the areas of new computers and an Enterprise Resource Planning (ERP) computer system. Approximately 5 years ago, Gavilan

College completed installation of a data network and a telecommunications connection with the California State University System. The installation of the data network, and teleconferencing equipment has established the backbone of the structure that can assist in substantial use of technology to provide instruction and student instructional support. The costs associated with maintaining this additional technology are significant and not yet fully addressed in the FY 06/07 budget. Additional resources will need to be allocated to ensure full support to maintain this technology and the technology purchased with Measure E Bond Funds.

New computer laboratories have been developed for the mathematics and ESL disciplines and several smart classrooms have been equipped with advanced instructional technologies. A new assistant manager/programmer position has been established for MIS as well as a computer technician and a web master. The additional personnel and equipment resources necessary to upgrade, operate and maintain the MIS system and to support the 1000 plus computers at the District have been determined. A new (revised) Technology Plan has been approved by the Board.

Retiree health benefits and retirement incentive costs will increase slightly in the next three to five year period. Gavilan College provides lifetime health benefits to a limited number of current classified employees employed prior to 1986. Classified and certificated employees hired after 1986 receive health benefits until age 65. Increases are expected for the next three to five year period as more qualifying employees retire. In FY 02/03, the District transferred \$3,010,488 to the long term debt fund in order to provide resources to pay for retiree health benefit obligations in the future. The District is a member of a Retiree Health Benefit program along with a number of other California community colleges. Although the District continues to pay for the immediate year costs of retiree health benefits by allocating current year budget funds, the Final Budget includes a 1.25% charge on all payroll expenditures to fund future retiree health benefit obligations.

FINANCIAL PLAN - ALL FUNDS UTILIZED BY GAVILAN COLLEGE

INTRODUCTION

The State Chancellor's Office provides funding to the community colleges using criteria established by a board of governors. The Governor appoints members of the board of governors. The board of governors is responsible for establishing, among other things, the budget and accounting structure for the California Community Colleges.

Consistency and comparability in recording of transactions is achieved through a systematic classification scheme prescribed by the California Community Colleges Budget and Accounting Manual. The board of governors in accordance with Education Code Section 70901 is responsible for defining, establishing and maintaining the budget and accounting structure and procedures for the California Community Colleges. Education Code Section 84030 requires each community college to follow the procedures prescribed by the board of governors.

GAVILAN COLLEGE USES FUND ACCOUNTING TO REPORT ITS ACTIVITIES

Fund accounting is used when a governmental agency receives revenues from various sources, some with restrictions and some without restrictions. A single fund is established to report and account for sources and uses of revenues available for or restricted to the same purpose. Each fund is considered a separate reporting entity. An understanding of a governmental agency requires the reader of financial statements to consider all funds established to operate the various programs or services offered by that agency. This Budget includes revenue and expenditure projections for all of the funds used to provide programs and services.

Gavilan College uses modified accrual accounting consistent with government accounting standards and the Budget and Accounting Manual. Revenues are classified primarily by source and secondarily by purpose. Expenditures are classified by activity and by object. Activity relates to the purpose of the expenditure such as instructional activities. The object classification relates to the product or service obtained such as academic salaries and instructional supplies.

The diverse nature of public operations and the complexity of legal requirements prevent governmental agencies from maintaining financial transactions and balances in a single accounting entity. A single accounting entity is used in private business accounting and use of fund accounting sets governmental agencies aside from private industry because of this reporting structure. For the public readers of this budget document an explanation of governmental fund accounting is important in understanding Gavilan College's proposed use of public funds.

**PROVIDED FUNDS ARE GROUPED BY THE MAJOR SERVICE
OR GROUP OF SERVICE**

Gavilan College uses two fund groups to report its operations. The groups are the Governmental Funds Group and the Fiduciary Funds Group.

This budget provides information about the District's sources of revenues and details the anticipated revenues by major category. Due to the requirements of fund accounting, this report follows a format that provides information by fund. The majority of the report focuses on the Unrestricted General Fund because it is the primary fund of the District.

GOVERNMENTAL FUNDS GROUP

Resources used, or available for use in conducting a District's educational objectives are included in the Governmental Funds Group. Gavilan College has established the following funds that are within the group of governmental funds:

General Fund – Unrestricted - Used to account for resources available for the general purpose of the District's operations and support of its educational program.

General Fund – Restricted - Used to account for resources available for the operation and support of the educational programs of the District that are specifically restricted by laws, regulations, donors, or other outside agencies as to their expenditures. **The majority of these funds must be expended within the fiscal year. Unexpended funds are returned to the funding agency.** The primary difference between restricted funds and unrestricted funds is the fact that externally imposed restrictions will not allow use of funds for any purpose other than that specified. In contrast, unrestricted funds may be used for any legal purpose deemed necessary. **Exhibit 5** shows the restricted general fund program accounts Gavilan College uses.

Special Revenue Funds - Used to account for the proceeds of specific revenue resources whose expenditures are legally restricted. These funds are not directly related to the educational program of the District but provide a service to students. Gavilan College has two special revenue funds: the **Parking Fund** and the **Child Development Center Fund**.

Capital Projects Fund, Other - Used to account for financial resources used for the acquisition or construction of capital outlay projects such as buildings, sites, site improvements, library books and equipment. Gavilan College uses this fund primarily each year for scheduled maintenance projects funded in part by the State as well as for new building construction.

Capital Projects Funds, Bond – Used to account for financial resources secured through voter approved general obligation bonds and the associated expenditures.

Debt Service Fund - Used to account for the accumulation of funds for payment of long-term debt obligations. Gavilan College's long term debts are obligations of the General Fund. Funds are transferred from the General Fund to the Debt Service Fund for accounting and payment purposes.

FIDUCIARY FUNDS GROUP

The Fiduciary Funds Group is used to account for assets held by the district in a trustee or agency capacity. Gavilan College accounts for the disbursement of federally funded PELL Grants and serves as fiscal agent for that purpose. The Financial Aid fund is an agency fund. Gavilan College also utilizes two trust funds: Associated Student Body and the Student Center Fund. A trust fund is one where a district recognizes revenues and expenditures related to trust activities and does exercise some discretion in the expenditure of those funds. The agency and trust funds used are:

- Financial Aid Fund
- Associated Student Body Fund
- Student Center Fund

BUDGET PRESENTATION

Exhibit 2, pages 1 - 5 is a consolidated summary of the Budgets for all funds used by Gavilan College.

FINANCIAL PLAN - GENERAL FUND

INTRODUCTION

This Final Budget incorporates revenue and expenditure projections reported in the accounting structure format described in the California Community Colleges Budget and Accounting Manual. The Budget uses revenue assumptions from the State of California Budget as projected by the State Chancellor's Office. Expenditure projections are made by the District in consideration of the Board of Trustees approved Budget Guidelines and known expenditure obligations for employee salaries and benefits, long term debt obligations and retiree health benefits. Expenditure amounts presented are expected to be reasonably accurate projections of expenditures for the fiscal year. There are no identified contingencies that could affect the expenditure projections shown in this budget. Adequate reserves are maintained to allow the District to absorb unanticipated adverse financial actions.

STATE REVENUES

PROPOSITION 98 REQUIREMENT

Proposition 98 requires that a specified amount of State of California revenues be provided to public education institutions. Proposition 98 funds are shared between the kindergarten through high school system (K-12) and the community college system. These two public education systems are collectively referred to as K-14 and receive the specified Proposition 98 funding on a shared basis. The allocation of Proposition 98 funds is determined by the Legislature.

STANDARDS FOR FUNDING

California Community Colleges are funded based on criteria established in Education Code Sections 84750 et. seq. The section describes an allocation method called **Program Based Funding**. The Board of Governors develops minimum standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature and for the purpose of allocating the state general fund apportionment revenues.

MINIMUM FUNDING REQUIREMENTS

The board of governors considers the guidelines and work products of the Task Force on Community College Financing as established by Chapter 1465 of the Statutes of 1986 when establishing standards for funding. Education Code Section 84750 et. seq. also describes a requirement for the board of governors to meet these minimum requirements:

1. Each community college district is to receive revenue based on the amount of state apportionment revenue from the prior fiscal year plus any amount attributed to a deficit for minimum workload growth, with revenue adjustments being made for increases and decreases in workload, for program improvement or other provision of law, inflation and other authorized purposes.
2. The funding mechanism shall recognize the needs among the major categories of operation of community colleges. The major categories to be considered are:

- a. Instruction
- b. Instructional Services and Libraries
- c. Student Services
- d. Maintenance and Operations
- e. Institutional Support

The State Chancellor's Office distributes state apportionment revenue using the Program Based Funding model and calculates the amount of revenue each college is to receive. This computational revenue is the basis for development of each college's budget. The Chancellor's Office uses the Program Based Funding categories to allocate available dollars to each of the college districts.

The rates attributed to each funding component are developed in consideration of the cost to achieve the minimum standards established by the board of governors. Appropriations to the California Community College system are not high enough to fully fund the cost of meeting the board of governors' minimum standards. The minimum standards are used in revenue calculations but are only funded at a level commensurate with available appropriation dollars. Since adoption of Program Based Funding in FY 91/92, the State has never allocated sufficient funds to meet the standard funding rate.

Article XIII-B of the California Constitution and Chapter 1205 of the Statutes of 1980 require that each community college calculate its appropriations limit for each fiscal year. This limit referred to as the GANN limit allows public agencies to receive a maximum amount of funds from taxes. If revenue projections are expected to exceed the GANN limit, the voters must approve the amount in excess of the limit.

Community colleges are allocated a maximum state apportionment revenue amount by the Chancellor's Office using program based funding. The revenue is provided to the colleges through a combination of local county property taxes and state apportionment revenue. Local property tax estimates provided by local County Auditors are subtracted from the maximum state apportionment revenue. Enrollment Fees expected to be collected from students are also subtracted from the maximum state apportionment revenue. The State Chancellor's Office pays the college the difference between the maximum state revenue and the amount paid to the college in the form of local property taxes and enrollment fees.

About 29% of Gavilan College's total apportionment revenue is received through State payments with the remaining portions being received in the form of local county property taxes and student enrollment fees.

PROGRAM BASED FUNDING

*(This will change with the passage of SB 361.)

Workload measures, and primarily credit and non-credit FTES, are the factors that determine the amount of revenue a college will receive. Variations in FTES have a significant impact on the amount of state apportionment revenue that will be received.

Program Based Funding is intended to provide funds to all colleges on an equivalent basis regardless of the location or size of the college. A standard funding rate was established to provide funds at a level that would allow the colleges to meet minimum standards for education. Funding standards have never reached 100% of the standard. Gavilan College's funding rate was only about 53% compared to the estimated 54% statewide average. Gavilan College is considered a low revenue district since its computational revenue per FTES is less than the statewide average.

Each year the State may provide additional funds to bring low revenue districts up to a new funding standard that is applied to all low revenue districts so that their funding may rise to a new higher percentage of statewide average funding level. In any given year, the State may authorize additional funds for "equalization". Equalization funds are added to a college's base revenue and therefore become a permanent addition to its future year revenues.

SPECIAL PROGRAM REVENUE

Section 56070 of Subchapter 1 of Chapter 7 of Division 6 of Title 5 of the California Code of Regulations requires that colleges calculate the amount of FTES revenue earned from credit and noncredit special classes. The revenue generated from these special classes is then subtracted from the costs incurred to provide the program services. At Gavilan College, the Disabled Student Programs and Services (DRC) program generates the type of revenue subject to the Title 5 regulation. The revenue attributed to DRC is estimated at \$1,000,000.

LOCAL REVENUES

Like other community colleges, the largest amount of revenue received by Gavilan College is from state appropriations. Colleges are authorized to receive funds from sources other than state appropriations. At Gavilan College those other revenues are primarily:

- **Other State Revenue** – This is state revenue other than base revenue. For example, Gavilan receives additional revenue for part-time faculty compensation in the amount of \$206,293.
- **Lottery Revenue** - This is revenue received from The Lottery Commission and is based on each public education institution's Average Daily Attendance (ADA). Total revenue from the lottery for budget purposes is projected at \$740,000.
- **Interest Income** - This is revenue received from funds on deposit in the County Treasury and also includes interest income from Tax Revenue Anticipation Note investment proceeds. The projected revenue from interest income is \$223,478.
- **Non-Resident Tuition** - This is revenue received from non-resident students who pay the out-of-state student tuition rate. The State of California does not provide apportionment revenue for these students. These students are charged the non-resident tuition rate of \$174 per unit. The projected revenue is \$65,000.
- **Mandated Cost Reimbursement** - Although defined as revenue, mandated cost reimbursements are based on actual expenditures for State mandated activities.

Gavilan College receives reimbursement for costs associated with holding open public meetings and for costs associated with the collective bargaining process. This budget includes a reimbursement projection of \$50,000.

- **Golf Course Lease Revenue** - This is revenue received under a long-term ground lease with Sagawa Investment, Inc. Sagawa Investment, Inc. pays the District a variable annual lease fee based on revenue generated at the golf course. The revenue is estimated at \$30,000.
- **Other Local Revenue** - This is revenue received for Cosmetology Services, use of College Facilities, and for Indirect Costs. Indirect costs are the fees the General Fund is able to charge to various grants and other programs for such services as Board of Trustees, institutional administration, business, human resources, facilities, and security. Other local revenue is projected at \$165,100.

EXPENDITURES

Gavilan College has maintained an ending fund balance near 10% for the past three fiscal years. This level of ending fund balance was considered a prudent reserve and accordingly appropriations for expenditures are set close to a level equal to estimated revenue. This target of 10% has been decreased in the Final Budget to 8.17% of expenditures and transfers out.

The General Fund expenditures are summarized into the program areas of instruction, instructional support, student support, administrative support, executive administration, and community support. Expenditure allocations are made using the following criteria:

1. Fixed Costs receive the first priority. Fixed costs include salaries and benefits for permanent employees, adjunct faculty salaries, lease payments, and unrestricted general fund allocations required to obtain restricted specially funded program funds.
2. Expenditures necessary to provide adequate instructional and student support services.
3. Expenditures necessary to implement a course of action within the scope of the strategic plan objectives for the Fiscal Year.
4. Expenditures that enhance the Educational Master Plan.
5. Expenditures that reduce long term debt.
6. Any residual funds are retained and designated in the ending fund balance.

Utilizing the guidelines listed above along with the Budget Guidelines adopted by the Board of Trustees, and fiscal policies used by Gavilan College, the allocations by program for the FY 05/06 and the FY 06/07 Final Budget is as follows:

Current Budget

Final Budget

Instructional Program Funding Department	FY 05/06		FY 06/07	
	Amount	Percent	Amount	Percent
Allied Health	\$ 625,822	3.06%	638,615	2.79%
Athletics	477,973	2.34%	654,620	2.86%
Business	310,144	1.52%	415,048	1.81%
Community Development- Noncredit	34,650	0.17%	229,683	1.00%
Computer Sciences	536,914	2.63%	533,397	2.33%
English	889,558	4.35%	1,116,585	4.88%
English-Second Language	661,328	3.24%	679,336	2.97%
Fine Arts	1,311,341	6.42%	1,526,492	6.67%
Guidance	13,815	0.07%	14,148	0.06%
Mathematics	804,821	3.94%	895,519	3.92%
Natural Sciences	566,096	2.77%	619,672	2.71%
Physical Education	305,613	1.50%	197,554	0.86%
Police Academy	1,100,000	5.38%	1,300,000	5.68%
Social Sciences	573,139	2.80%	597,625	2.61%
Vocational/Technical	1,008,512	4.93%	1,035,060	4.53%
Retirees Health Benefits	230,918	1.13%	437,757	1.91%
COLA, MDVL, Burdens	101,015	0.49%	-	0.00%
Total Instructional Programs	\$ 9,551,659	46.73%	\$ 10,891,111	47.62%

Administrative and Support Services

Executive Administration Services

Citizens Oversight Committee	3,539		200	0.00%
Communication Office	291,727	1.43%	326,167	1.43%
Cultural Activities	30,770	0.15%	46,270	0.20%
Governing Board	266,773	1.31%	247,273	1.08%
President's Office	347,562	1.70%	378,824	1.66%
Program Development	123,414	0.60%	132,824	0.58%
Travel, Conference, Equipment	37,000	0.18%	38,000	0.17%
Total	\$ 1,100,785	5.39%	\$ 1,169,558	5.11%

Instructional Support

Academic Administration	482,617	2.36%	548,997	2.40%
Dean, Liberal Arts	282,252	1.38%	313,770	1.37%
Dean, Technical & Public Services	234,882	1.15%	255,102	1.12%
Computer Place	80,674	0.39%	87,889	0.38%
Distant Education	103,061	0.50%	174,470	0.76%
Faculty Senate	55,177	0.27%	56,512	0.25%
Hollister Satellite	238,603	1.17%	237,814	1.04%
Library	377,708	1.85%	484,572	2.12%
Media Services	102,992	0.50%	110,610	0.48%

Morgan Hill Satellite	303,802	1.49%	312,989	1.37%
Television Services	41,358	0.20%	39,737	0.17%
Television Channel 18	6,420	0.03%	7,000	0.03%
Tutoring	136,806	0.67%	141,430	0.62%
Total	\$ 2,446,352	11.97%	\$ 2,770,892	12.12%

Student Support Services

Admissions and Records	472,663	2.31%	520,397	2.28%
Career Center	69,249	0.34%	76,752	0.34%
Counseling	552,206	2.70%	721,783	3.16%
Enrollment Management	230,821	1.13%	176,789	0.77%
Financial Aid Office	206,675	1.01%	249,273	1.09%
Graduation	10,850	0.05%	10,850	0.05%
Institutional Researcher	33,531	0.16%	80,914	0.35%
Scholarship Award Ceremony	1,400	0.01%	1,400	0.01%
Student Services	79,360	0.39%	197,577	0.86%
Switchboard	47,511	0.23%	50,919	0.22%
Work Study	6,993	0.03%	7,369	0.03%
Total	\$ 1,711,259	8.37%	\$ 2,094,023	9.16%

Administrative Services

Business Services	952,175	4.66%	1,032,833	4.52%
Classified Staff Development	2,500	0.01%	2,500	0.01%
Custodial	344,087	1.68%	494,447	2.16%
Duplicating	83,244	0.41%	91,406	0.40%
Facility Usage	66,689	0.33%	72,976	0.32%
Grounds	306,148	1.50%	339,577	1.48%
Health/Safety	99,555	0.49%	75,581	0.33%
Insurance	134,000	0.66%	144,000	0.63%
Maintenance	682,031	3.34%	705,482	3.08%
Management Information Systems	877,489	4.29%	998,320	4.37%
Personnel	376,978	1.84%	420,632	1.84%
Purchasing	144,556	0.71%	157,013	0.69%
Security	170,571	0.83%	189,276	0.83%
Utilities	874,316	4.28%	1,002,743	4.38%
Warehouse	212,457	1.04%	217,128	0.95%
Classified Retirees Health Benefits	206,840	1.01%	-	0.00%
COLA, Benefits, OT, Substitutes	96,678	0.47%	-	0.00%
Total	\$ 5,630,314	27.55%	\$ 5,943,914	25.99%

Total All Support Services **\$ 10,888,710** 53.27% **\$ 11,978,387** 52.38%

Total All Expenditures **\$ 20,440,369** **100.00%** **\$ 22,869,498** **100.00%**

SALARIES AND EMPLOYEE EXPENDITURES

As an educational institution whose products are instruction and support services, the primary expenditure for Gavilan College is salaries and employee related expenditures. Through definitions described in the California Education Code, employees are grouped into three different categories. The categories are academic, classified and administrative. The distinction of employee categories is important in defining classroom instruction costs, support and administrative management costs. Each community college is required to expend at least 50% of its budget on classroom instruction costs as defined by California Educational Code Section 84362. Gavilan College expects to expend at least 50% of its expenditures in this area during FY 06/07.

ACADEMIC EMPLOYEE EXPENDITURES

Academic employees are employees in positions for which minimum qualifications have been established by the board of governors pursuant to Education Code Section 87356.

The Gavilan College Faculty Association (GCFA) represents academic employees. GCFA is affiliated with the California Teachers Association. GCFA negotiates its salary and benefits through a collective bargaining process. The FY 06/07 salary schedule provides compensation that ranges from \$46,904 to \$99,278 per academic year, depending on education and experience.

Academic employees are compensated based upon their educational qualifications and experience. Currency in subject matter taught in the classroom is an important factor to Gavilan College. To recognize this factor and to provide an incentive for faculty to maintain currency in their chosen professional disciplines, Gavilan College and GCFA have agreed to advance employees on the salary schedule based on each employee's completion of a combination of professional education course work and course work from a regionally accredited post secondary education institution.

Employees are placed on a "Track" that has a maximum of 19 steps plus "longevity" steps for Track II, III, IV, and V. One step advance is allowed for each academic year and provides a salary increase of roughly \$1,800 per annum. In addition to step advances, employees may also change track through achievement of identified academic milestones. For example, to qualify for Track III, an employee generally needs to have completed a Master's degree plus 15 semester units of credit beyond the Master's degree. To move to Track IV the employee would have to complete an additional 15 semester units of credit bringing the total course work to a level of a Master's degree plus 30 semester units. A change in track provides a salary increase of roughly \$2,800 per annum.

Full time faculty members teach approximately 60% of all courses offered at Gavilan College. Adjunct or part -time faculty members teach the remaining courses. Adjunct faculty members are hired to teach specific courses on a semester basis. Gavilan College employs on the average between 135 and 140 adjunct faculty during each of the spring and fall semesters.

In FY 06/07, adjunct faculty members earn between \$41.61 to \$58.00 per hour.

Use of adjunct faculty is an extremely important resource that is used to increase course offerings and to manage enrollment. Because adjunct faculty members are hired as needed,

Gavilan College retains a great deal of control over expenditures for adjunct faculty and is able to balance enrollment requirements with available funding.

CLASSIFIED EMPLOYEE EXPENDITURES

Classified employees provide professional, technical, and clerical support services that support classroom instruction and maintain the District. A classified employee is an employee defined by Education Code Section 88001 as an employee in a position that has a designated title, a regular minimum number of assigned hours per day, days per week, and months per year, a specific statement of the duties required to be performed by the employees in each position, and has a regular monthly salary defined by a salary range for each position. A classified employee that has served in and successfully completed a probationary period is considered a permanent classified employee.

The classified workforce provides support services to the District's administrative operations and instructional programs. Samples of the job description titles in the classified work force are office assistant, instructional program specialist, accountant, admissions and student records technician, and library technician.

In FY 06/07 classified employees earn between \$26,928 and \$71,667 on a twelve-month assignment. Classified employees are placed on a salary range that is determined through the classification process. Any employee hired into a classified position will be paid on one of the steps within the salary range for the position. Unlike academic employees, once hired and placed on the salary schedule, classified employees move one step per year until they reach Step 5. Movement from one salary range to another salary range is possible if the employee changes jobs or the position they currently serve in is reclassified to another salary range.

An employee may be placed anywhere between Step 1 and 5 of a salary range depending on previous relevant experience. Once placed on the salary schedule, assuming satisfactory performance, the employee will advance one step per year on the first day of the anniversary month of hire. Gavilan College also provides employees with longevity increases that provide for a \$50 per month increase after nine years of service; \$100 per month increases after 14 years of service and \$200 per month after 19 years of service.

CONFIDENTIAL AND SUPERVISORY EMPLOYEES

Confidential/Supervisory employees are not represented by a bargaining unit and are either responsible for the management of specific support functions or serve in positions where confidentiality related to negotiations is required.

ADMINISTRATIVE EMPLOYEES

Administrative employees are those employees responsible for managing the operations of the District and provide direction and leadership to all functions of the District.

Exhibit 6 provides a complete detail by FTE of all permanent employees paid out of the Unrestricted General Fund. The exhibit compares FY 04/05, and FY 05/06 staffing to the FY 06/07 staffing plan.

BOARD OF TRUSTEES

Members of the Board of Trustees receive a monthly stipend of \$240 dependent upon attendance at all Board meetings scheduled for the month. The members of the Board of

Trustees are the governing body of Gavilan Joint Community College District. Public meetings of the Board are held monthly and at other times as needed to provide direction to the administration and to review and approve as appropriate District operating transactions that require the expenditure of funds.

PAYROLL COSTS, EMPLOYEE HEALTH BENEFITS, AND RETIREMENT

Gavilan College pays for a number of payroll related expenditures in addition to the health benefit allowances provided to each category of employee. These expenditures are collectively referred to as employee burdens. The cost for each expenditure is identified as a percentage of the employees' gross wages. The employee burdens are described below and represent only the portion of cost paid by Gavilan College.

- **8.25% State Teachers Retirement System** - Applies to all academic employees who meet (STRS) membership requirements prescribed by STRS. This applies to all full time and some part time academic employees and certificated administrators.
- **9.124% Public Employees Retirement System** – Applies to all classified employees who meet (PERS) membership requirements prescribed by PERS. This applies to all full time classified employees and some part time classified employees.
- **6.20% Federal Insurance Contribution** - Applied to all gross wages of employees (FICA) who are not members of STRS.
- **1.45% Medicare Insurance** - Applied to all gross wages of every employee hired after 1986.
- **2.0% Worker's Compensation** - Applied to all gross wages of every employee.
- **1.250% Retiree Health Benefit Liability Fund** – Applied to all gross wages of every employee.
- **0.05% Unemployment Insurance** - Applied to all gross wages of every employee.
- **1.00% Deferred Compensation Plan** - Applied as an “up to” match for participating employees.
- **Health Benefits** - Gavilan College offers a health benefit program that provides medical, dental, and visions insurance for the employee and the employee's dependents. Employees also receive a \$50,000 term life insurance policy. The cost for health benefits ranges from \$3,750 to \$18,000 per employee.

RETIREE HEALTH BENEFIT OBLIGATIONS

Gavilan College provides lifetime health benefits to classified employees who were employed prior to July 1, 1980 and are 55 years of age or older at the time of retirement. To qualify for lifetime benefits, an employee must have ten consecutive years immediately preceding retirement, must have served the District in an assignment of ½ time or more and worked ten or more months per year. Employees hired after July 1, 1986 will receive post retirement benefits only until the employee reaches age 65 or elects to take Medi-Care or Medi-Cal whichever occurs first.

Academic and administrative employees who retire after July 1, 1980 and who have served the District full-time for ten or more consecutive years immediately prior to retirement will receive paid health benefits until age 65, or earlier if the retired employee accepts Medi-Care.

INTRAFUND/INTERFUND TRANSFERS

Funding guidelines of the State of California, for some programs, requires that a college receiving program funds provide an unrestricted general fund contribution to pay program expenditures. The unrestricted general fund transfers funds to the restricted general fund and other funds to pay for matching fund contributions, debt service, and capital outlay projects. The amounts vary by program and are unique to each program.

Exhibit 4 provides a breakout of intrafund/interfund transfers.

ENDING FUND BALANCE.

For FY 06/07, Gavilan College's Final Budget provides for a projected ending fund balance at June 30, 2007 of \$1,985,562. The \$1,985,562 is classified as designated for economic uncertainties representing 8.17% of total expenditures and transfers out.

FINANCIAL BUDGET PRESENTATIONS- UNRESTRICTED GENERAL FUND

Exhibits 2 (page 1) and Exhibit 3 provide additional details about Unrestricted General Fund Expenditures.

RISK MANAGEMENT AND INSURANCE

JOINT POWERS AUTHORITIES ARE USED TO STABILIZE EXPENDITURES AND MANAGE BUSINESS RISK

A JPA is an organization formed by governmental entities, including community colleges for the purpose of providing services that each individual entity has the ability to provide. By combining services the JPA has the ability to provide services on a more economical basis or on a basis that provides less risk of loss to each participating governmental entity. The combining of similar services provides more flexibility in offering services and in many cases, due to the expense of providing the various services provides the colleges the only opportunity to continue to offer some services. Gavilan College is a member of three JPA's: two for liability transfer, and one for academic services.

NORTHERN CALIFORNIA COMMUNITY COLLEGE POOL (NCCCP)

The NCCCP is a JPA that was formed for the purpose of combining the workers' compensation claims from West Valley Mission Community College District, San Jose-Evergreen Community College District and Gavilan Joint Community College District. The NCCCP JPA provides coverage for all workers' compensation claims filed at each of the participating college districts. The JPA administers all claims and works directly with the injured employee and the member college district. The JPA administrator is required to comply with all State of California laws that govern workers' compensation and works closely with each member district to ensure compliance with the law.

A Board of Directors comprised of the Chief Business Officers of each college district governs the NCCCP JPA. The Board of Directors approves claim payments, settlements and the contribution rates to be levied against each district. Since all workers' compensation

injuries are related to workplace safety, the JPA hired two safety officers who are responsible for ensuring each district has an ongoing safety program and for providing technical expertise in hazard mitigation. As a condition of membership in the JPA each college district has agreed to maintain a safety program.

Gavilan College is assessed a contribution amount that for FY 06/07 is estimated to be \$460,000. The contribution is determined by the dollar amount of total payroll and the District's claims history and can rise or fall each year depending on the claims made during the year. The contribution for workers' compensation administration is included in this budget as a statutory employee cost.

BAY AREA COMMUNITY COLLEGES, JPA

The Bay Area Community College JPA provides coverage for a wide variety of liability claims including general liability, discrimination, wrongful termination, and property damage. Coverage for claims is defined by a Memorandum of Coverage that is approved by the Bay Area Community College JPA and may change as claims events at the colleges' change. In accordance with the Memorandum of Coverage, a claim made against Gavilan College is first reviewed by the District's Board of Trustees and if denied is forwarded to the JPA for defense as appropriate.

A Board of Directors comprised of the Chief Business Officers of each college district governs the Bay Area Community College JPA. There are nine colleges in the Bay Area Community College JPA. The Board of Directors approves claim payments, settlements and the contribution rates to be levied against each district.

Gavilan College's contribution for coverage provided by the Bay Area Community College JPA for FY 06/07 is estimated to be \$150,000.

THE SOUTH BAY REGIONAL PUBLIC SAFETY CONSORTIUM

The South Bay Regional Public Safety Consortium is a JPA formed by eleven colleges for the purpose of providing an Administration of Justice program that includes police and fire academies program that trains a large number of candidates for employment. This JPA provides an academic service that generates FTES, which is then reported by each member college district on its attendance accounting reports. The FTES reported results in the colleges receiving state apportionment revenue. The apportionment revenue to be received by Gavilan College is included in the State Computational Revenue amount shown in this report.

The South Bay Regional Public Safety Consortium is reimbursed for instructional costs based on the FTES provided to each college district. Colleges identify their desired participation level for each year. The contribution to the JPA is based on each college's cost of education. In FY 06/07 Gavilan College is providing an estimated \$1,100,000 to the JPA and will in turn receive an estimated 515 FTES.

RETIREE HEALTH BENEFIT PROGRAM, JPA

Public employers in the United States, including California community college districts, will soon be faced with a new fiscal challenge. The Governmental Accounting Standards Board (GASB) last year issued new accounting standards that will require community college districts to either fully fund retiree health benefit costs for current and retired employees or acknowledge, in their annual financial statements, their unfunded liability.

To meet this requirement Gavilan and a number of other California community college districts have joined together as members of the Retiree Health Benefit Program, JPA.

The JPA will provide the actuarial services required to properly calculate each district's annual post-employment benefit cost and accumulated liability every two years as required. It will also create a trust arrangement for accumulating irrevocable benefit funds and operate a pooled investment program for accumulated benefit funds.

FINANCIAL PLAN – RESTRICTED GENERAL FUND

Restricted General Fund programs are established for the purpose of providing specialized services funded by either revenues collected from program participants or from revenues provided by a State or local agency. As the name implies restricted funds may only be used to pay for the costs of providing specific services. This section provides a description of a number of the Restricted General Fund programs that Gavilan College expects to use in FY 06/07.

Federal, State and local agencies frequently require that a college receiving special funding provide general fund dollars to the program. This “match” varies by funding agency and may be in the form of a cash contribution to pay for specific expenditures or it may be an “in-kind” contribution that is made through allocation of existing college resources such as use of a facility, use of equipment, utilities, or personnel.

The restricted fund programs offered by Gavilan College are used to enhance the educational program of the District and to provide valuable services to the community. A number of these programs are described below with financial information appearing in **Exhibit 5**.

CALWORKS

CalWORKS is designed to provide counseling, job placement and child services for assisting students in moving from welfare to the work.

COMMUNITY SERVICES AND CONTRACT EDUCATION

Community and Contract Education provide a variety of offerings that are of general interest and benefit to members of the community and businesses within the district.

COOPERATIVE AGENCIES RESOURCES FOR EDUCATION (CARE)

CARE is designed to assist single parents who attend, or would like to attend Gavilan College. CARE provides a variety of services including assistance in completing college admissions and financial aid applications, assistance in obtaining child care while the student attends class, and providing counseling and class registration assistance. CARE also pays for the cost of textbooks. A student is eligible for CARE services if the student has been a recipient of Aid to Families with Dependent Children (AFDC), has a child under six years of age, is a single parent head of household and is eligible for Gavilan College’s EOPS program services. Santa Clara and San Benito counties fund CARE services. Gavilan College incurs no additional unrestricted general fund costs to provide services under the CARE program.

DISABILITY RESOURCE CENTER (DRC)

DRC offers support services and instruction to students with disabilities pursuant to Education Code Sections 67310-12 and 84850. Support services provided in the DRC program must be in accordance with Title 5 regulations applicable to expenditures of funds:

- (a) not duplicate services or instruction which are otherwise available to all students;
- (b) be directly related to the educational limitations of the students to be served;
- (c) be directly related to the students’ participation in the educational process;

- (d) promote the maximum independence and integration of students with disabilities;
- (e) support participation in educational activities consistent with the mission of community colleges.

Regulations applicable to DRC require that each college calculate the amount of FTES revenue generated from students in the DRC program and subtract that amount of revenue from DRC's total expenditures to determine the amount of direct excess costs incurred as a result of providing specialized services. The direct excess cost amount may be reimbursed to the District by the State. The actual amount received from the State depends on the amount allocated to the District.

EXTENDED OPPORTUNITIES PROGRAMS AND SERVICES (EOP&S)

This is a State funded program established for the purpose of providing access to a college education to low-income students facing social, economic, and educational disadvantages. The EOP&S program assists eligible students who may not consider a college education as an option. To be eligible for services a student must have a household income below an amount defined by the size of the household. To remain eligible for services a student must attend college on a full time basis and maintain an average of "C" or better. The EOP&S program provides the following services:

- (a) **Outreach** - arranges campus tours, special orientations, visits junior and high schools.
- (b) **Admissions** - assists in determining a student's eligibility for EOP&S services and offers advice on admissions, provides priority registration, and assists students in applying for financial aid.
- (c) **Retention** - assists students with class selection and scheduling, academic, career, and personal counseling; referral to campus and community services; student advocacy; tutoring in subject areas; academic progress reports; and provides grants to purchase books and school supplies.
- (d) **Transfer** - assists students with transferring to a university by providing tours, assistance in completion of application forms, assessment of transfer requirements, application for fee waivers as appropriate and seeking information on housing, child care, and special programs.
- (e) **Job Readiness** - provides career guidance, job assessment, resume preparation, job interview preparation and workshops focused on the job markets of Santa Clara and San Benito counties.
- (f) **Cultural Enrichment** - provides opportunities for faculty, staff, students and members of the community to come together by sponsoring a variety of lectures and multicultural events.

An EOP&S program is offered by all California community colleges. Funding is determined by the State Chancellor's Office using a complicated formula that considers a base funding level and the number of students served by each college. The Gavilan College General

Fund pays for the cost of the EOP&S Coordinator and for some additional assignments of classified employees.

FACULTY AND STAFF DIVERSITY

The purpose of these funds is to enable the California Community Colleges system to address its goal of hiring a work force that reflects proportionately the adult population of the state. Funds provided are to be used for:

- (a) The costs of publishing, distributing and reporting affirmative action success rates as provided in Education Code Section 87102.
- (b) The cost of preparing and updating affirmative action plans.
- (c) Provide for outreach and recruitment of underrepresented groups, for incentives to hire underrepresented groups, for in-service training and for other related staff diversity.

GREATER AVENUES FOR INDEPENDENCE (GAIN)

GAIN is a special program funded by the counties of Santa Clara and San Benito that provides training to recipients of AFDC who have no children under the age of 3. Students receive training in basic education, high school equivalency, English as a second language or job skills training. GAIN students also receive free childcare and transportation so that they may participate in a training program.

HEALTH SERVICES

Fees are charged to students at the rate of \$14 per semester for the cost of providing health services to students. In accordance with Education Code Section 76355, expenditures are restricted to payment of the cost of health supervision and services, including direct or indirect medical and hospitalization services, or the operation of a student health center. Health services fees cannot be used to pay expenditures of athletic trainers' salaries, athletic insurance, medical supplies for athletes, or any other expenditure related to providing medical services specifically to athletes.

MATRICULATION

Matriculation funds are provided to Gavilan College pursuant to the Seymour-Campbell Matriculation Act of 1986. The intent of the Legislature when approving the Act was to:

- (a) Ensure equal education opportunity for all Californians.
- (b) Ensure that students receive the educational services necessary to optimize their opportunities for success.
- (c) Provide students with the information to establish realistic educational goals, and ensure that the matriculation process does not exclude students from receiving appropriate educational services at community colleges.

Education Code Section 78212 defines matriculation and identifies the services that are to be provided when a college receives funding for matriculation. Matriculation is defined as a

process that brings a college and a student who enrolls for credit into an agreement for the purpose of realizing the student's educational objectives. Matriculation services to be provided include all of the following:

- (a) Processing of the application for admission.
- (b) Orientation and pre-orientation services to provide students with information concerning campus procedures, academic expectations, and financial assistance.
- (c) Assessment and counseling upon enrollment.
- (d) Post-enrollment evaluation of each student's progress and required advertisement or counseling for students who are enrolled in remedial courses, who have not declared an educational objective as required, or who are on academic probation, as defined by standards adopted by the Board of Governors of the California Community Colleges and community college districts.

The District is not required to provide a cash or in-kind match for these services but does maintain a Student Services Division that maintains a staff of trained counselors and other professionals that assist in meeting the matriculation service requirements defined above.

MESA

The MESA (Mathematics, Engineering, and Science Achievement Program) is dedicated to the academic excellence and personal support to students majoring in a math or science-based field (computer science, biology, all engineering, etc.), and who plan to transfer to a university.

The MESA program is a rigorous academic support program with various components that help build an academically based peer community to provide mutual students support and motivation, further fostering a community of learners/scholars. There is an academic and economic disadvantage criteria, both of which must be met to qualify as a MESA student.

REGIONAL OCCUPATION PROGRAM (ROP)

ROP is a program funded by the Santa Clara County Office of Education to provide vocational training on a countywide basis using Gavilan College and other institutions to provide educational services to students. The orientations of these programs vary as the vocational needs of the County change. In FY 06/07 Gavilan College expects to provide educational services for the following vocational programs:

Home Health Aide Nursing Assistant Clinical Medical Assistant

Gavilan College is not required to provide a cash or in-kind match in order to receive funding under this program.

STAFF DEVELOPMENT

Staff development funds are provided by the State Chancellor's Office for the purpose of providing professional level training to the faculty, staff and administration of the District. As defined in Education Code Section 87153, these funds may be used for the following purposes:

- (a) Improvement of Teaching
- (b) Maintenance of current academic and technical knowledge and skills
- (c) In-service training for vocational education and employment preparation programs
- (d) Retraining to meet institutional needs
- (e) Intersegmental exchange programs
- (f) Development of innovations in instructional and administrative techniques and program effectiveness
- (g) Computer and technological proficiency programs
- (h) Course and training implementing affirmative action and upward mobility programs.
- (i) Other activities determined to be related to educational and professional development pursuant to criteria established by the Board of Governors of the California Community Colleges, including but no limited to programs designed to develop self-esteem.

TANF

TANF is Temporary Assistance for Needy Families and provides cash aid for families with children receiving welfare assistance.

TITLE V

Title V will establish transitional and “bridge” systems to overcome barriers for under prepared students using proven and innovative technology-enhanced learning concepts, resources and ideas. Academic programs will conform with, or be founded upon student-centered learning strategies and learning paradigms as well as incorporate web-based delivery modes and distance learning technologies that include televised courses. “Smart classrooms” in each instructional building will establish computer-based, multi-media learning laboratories for ESL, math, science, computer and information sciences, arts, reading and writing programs. This grant will also promote faculty and staff continuing education and technology training that will help establish and maintain efficient campus telecommunications and data processing.

TRIO

TRIO is a four-year, federal grant funded through the Department of Education. Gavilan’s program provides counseling, academic support and social and extracurricular activities as ways to increase a sense of belonging (in college) and increase long-term retention and graduation. The program serves 160 low income, first generation college students.

VOCATIONAL EDUCATION AND TRAINING ACT (VTEA)

VTEA is funded under provisions of the Carl D. Perkins Act of 1990. This federally funded program is administered by the State of California and requires that participating colleges use these funds to enhance and augment vocational training programs that meet certain eligibility criteria. Gavilan College expects to use these funds to enhance its Allied Health, Business Technology, Aviation, Industrial Technology and Drafting programs.

FINANCIAL BUDGET PRESENTATION – RESTRICTED GENERAL FUND

Exhibit 5 is a Budget for the Restricted General Fund.

Exhibit 7 provides a complete detail by FTE of all permanent employees paid out of the Restricted General Fund. The exhibit compares FY 04/05, and FY05/06 staffing to the FY 06/07 staffing plan.

FINANCIAL PLAN – ALL OTHER FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are to account for revenues whose expenditures are not legally restricted. The special revenues collected are used to pay for the cost of providing services that are not necessarily part of the educational program of the District but enhance the District's ability to serve its students. Gavilan College utilizes one special revenue fund, the Parking Fund.

Parking Fund - As authorized by Education Code Section 76360, Gavilan College charges students a parking fee. The fee ranges from \$20 per semester for evening only parking to \$40 per semester for a daytime parking permit. A daily permit is also available at a cost of \$.75. The parking fees are used to pay the salaries and related costs of security personnel and to pay for repairs for the parking lots and roadways.

FIDUCIARY FUNDS GROUP

Fiduciary Funds account for the revenues and expenditures, and assets held by the district in a trustee or agency capacity. Gavilan College utilizes two trust funds; Student Center Fund and Associated Student Body Fund and one agency fund; Financial Aid. A trust fund differs from an agency fund in that the District has some discretion in the expenditure of trust funds and does not have discretion in the expenditure of agency funds.

Associated Student Body (ASB) - The ASB fund is designed to account for moneys held in trust by the District for the ASB. Students pay membership fees to the ASB and receive special discounts on parking and entry to a variety of special events over the course of the academic year. Funds collected may be expended upon approval of three persons: an employee of the District designated by the governing board, the certificated employee who is the designated advisor, and a representative of the student body organization.

Student Center Fund - Gavilan College established a student center fund for the purpose of constructing a student center. The budget for the Student Center Fund includes all revenues derived from the Student Center and all anticipated expenditures related to the maintenance and improvement of the facility.

Student Center Fees are charged at the rate of \$1 per credit hour of instruction up to \$10 per student per year. Education Code Section 76375 limits collection of student fees to \$10 per fiscal year.

Rental fee income is derived from lease payments for space currently used as a bookstore and a cafeteria that is located in the Student Center building. Expenditures charged to the Student Center Fund include capital improvements, cost of custodial and maintenance services, and accounting and administration fees.

Financial Aid Fund - Financial aid is provided to students through a Federal Pell Grant. Gavilan College administers the program and serves as a fiscal agent for the federal government. Gavilan College makes disbursements based upon the Federal Pell Grant

program requirements and then obtains reimbursement for the grants made. Revenues collected and expenditures made are reflected in the budget. As fiscal agent, Gavilan Colleges receives a nominal amount for administrative services.

Gavilan College also participates in a federally funded work-study program. As a participant, Gavilan College is required to provide a cash match of 25% of the total amount paid to students who are employed under the program.

In addition to the Pell Grant and work-study programs, Gavilan College provides a number of financial aid services to its students. The cost for other unrestricted program services is included in the Unrestricted General Fund.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used primarily to account for the expenditure of funds provided by the State for new construction projects and to complete scheduled maintenance projects.

Each year the District prepares a Five-Year Capital Construction Plan for submission to the Chancellor's Office, California Community Colleges. Projects are identified in consideration of existing lecture, laboratory and office space in relation to capacity workload measures defined by the State. Anticipated changes in programs assist in determining what additional facilities will be considered. To evaluate each College's individual need in relation to all other colleges, the State uses a criterion that prioritizes the allocation of construction funds. Projects that provide additional lecture and laboratory space receive a higher priority than other projects like administrative or student support buildings. In order for the District to receive funding it must demonstrate high utilization of existing facilities.

The Five-Year Capital Construction Plan is used for planning purposes in identifying new facility needs of the District. Funding for any project in the Plan must be requested through a separate request. Development of a funding request requires a detailed description of the project and a detailed cost projection. The cost of preparing a funding request is between \$25,000 and \$35,000.

In November 2003, the Board of Trustees approved a revision to the District's Facilities Master Plan. **Exhibit 8** is a copy of the Governing Board Agenda item cover sheet and the Facilities Master Plan revisions. With the passage of Gavilan's \$108 million Measure E General Obligation Bond in March, 2004, the Board of Trustees asked that a new Facilities Master Plan be developed to guide the design and construction efforts of the Measure E Bond Program. To this end a series of planning meetings were held with campus committees and stakeholders to develop criteria for the Plan. A Draft Master Plan document was submitted for review and comment in a series of five (5) Public Forums. In addition, copies were distributed to all public libraries within the District's service area and the document was made available on-line, for collecting interactive feedback from students, staff, and the community. Additional meetings were held with each building user-group to develop final recommendations. From the data collected a final set of prioritized recommendations were developed to define scope, budget, and schedule for each of the proposed projects.

On February 14, 2006, the Board of Trustees approved a two-volume Facilities Master Plan, dated February 14, 2006, including appendices, which is the plan for the facilities portion of

the Measure E Bond Program. The Plan represents an on-going, fluid document that will be updated and amended to reflect new or changed conditions that influence the ultimate facilities delivery over the next eight (8) years. The Plan reflects the latest consensus thinking of the District, its stakeholders and its consultants as the framework for design and construction of the various projects that translate "vision" into affordable reality. It is to serve as the guideline for decision-making, capital-outlay expenditures, and educational facilities design.

The Plan will also be used to generate a Full Facilities Master Plan for State review. It is anticipated that this State required plan will be brought to the Board for action in the fall 2006.

DEBT SERVICE FUND

LONG TERM DEBT

In FY 97/98, the District refinanced the long term debt of the District. The pattern of low interest rates for long-term debt in FY 97/98 allowed the District to reduce the debt portfolio interest rate from over 6.75 % to 4.63%. The balance at June 30, 2004 would have been approximately \$1,570,000.

In June 2003, the District entered into an agreement to borrow up to two million dollars (\$2,000,000). The issuance capitalized interest for one year (FY 04/05), provided payments over nine (9) years, and resulted in an estimated \$1,700,000 in net loan proceeds.

Both the FY 97/98 refinanced long term debt and the June 2003 long term debt were paid off with the issuance of the voter approved March 2004 general obligation bond proceeds.

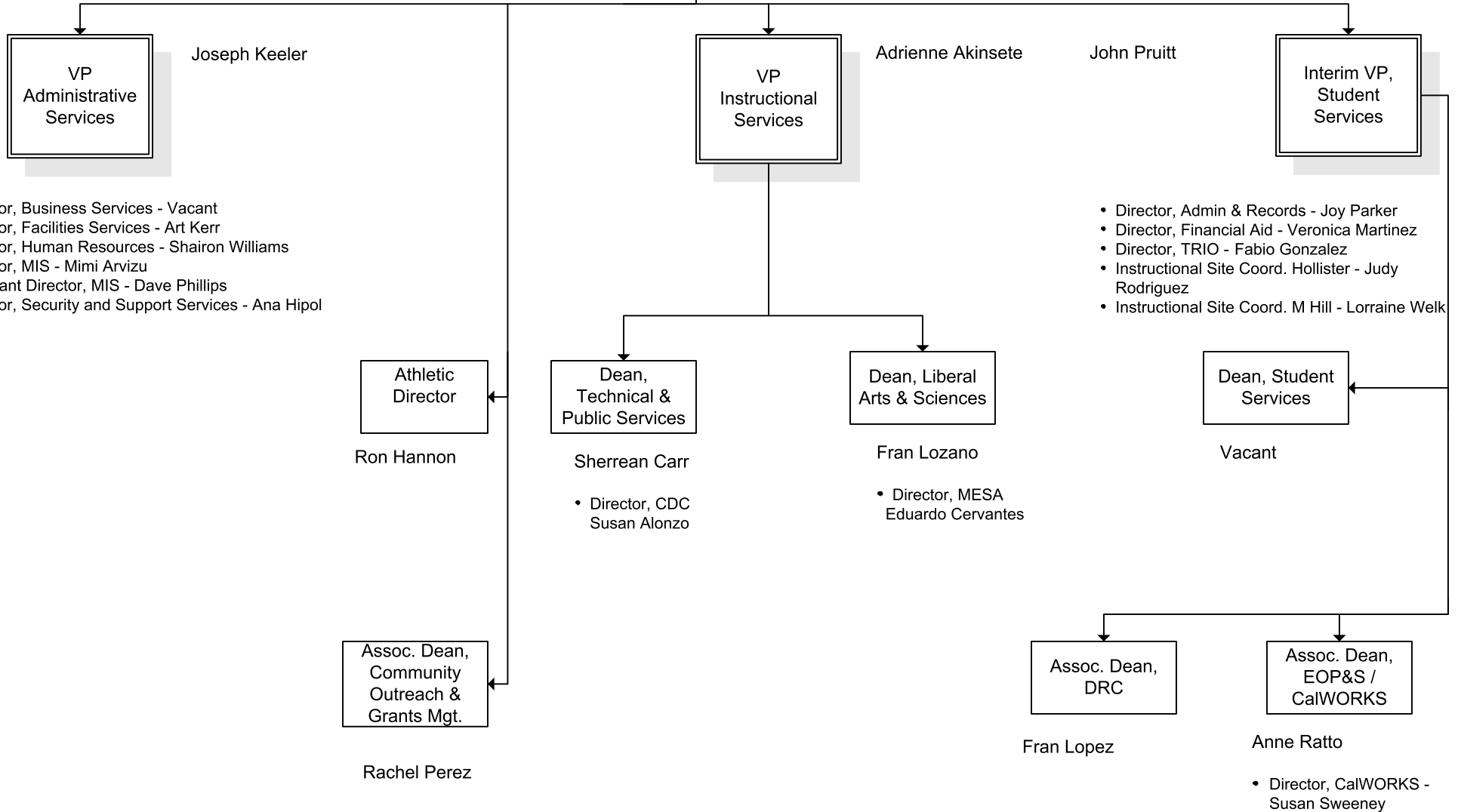
Another long term debt that exists is the obligation for existing retiree health benefits. It is estimated that this obligation is \$4,700,000. The District is a member of a Retiree Health Benefit program along with a number of other California community colleges. The District has transferred \$2,000,000 to this program in order to provide resources to pay for the existing retiree health benefit obligations in the future. Although the District continues to pay for the immediate year costs of retiree health benefits by allocating current year budget funds, the Final Budget includes a 1.25% charge on all payroll expenditures to fund future retiree health benefit obligations.

GAVILAN COLLEGE ORGANIZATION Management Structure As of September 1, 2006

Superintendent/
President

Dr. Steven Kinsella

- Director, Community & Contract Education - Terry Newman
- Director, Institutional Research - Elizabeth McKean
- Director, Public Information - Jan Bernstein Chargin



Consolidated Summary All Funds
Final Budget FY 2006-07

	B	C	D	E	F	G	H	I	J	K	L	M
2		Unrestricted General Fund 10				Instructional Equipment/TTIP Fund 24				Parking Fund Fund 26		
3			Current	Final			Current	Final			Current	Final
4		Actual	Budget	Budget		Actual	Budget	Budget		Actual	Budget	Budget
5		FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07
6	Revenue Description											
7	Federal Revenue											
8	State Revenue	\$ 6,335,994	\$ 6,961,073	\$ 9,537,296		\$ 270,193	\$ 148,702	\$ 148,697				\$ -
9	Local Revenue	14,521,882	14,968,720	14,765,578						\$ 162,370	\$ 158,000	\$ 158,000
10	Total Revenue	\$ 20,857,876	\$ 21,929,793	\$ 24,302,874		\$ 270,193	\$ 148,702	\$ 148,697		\$ 162,370	\$ 158,000	\$ 158,000
11												
12	Expenditures:											
13	1000: Academic Salaries	\$ 7,570,806	\$ 7,492,499	\$ 8,526,118								
14	2000: Non-Instructional Salaries	3,586,124	3,783,402	4,195,104						\$ 84,684	\$ 87,532	\$ 96,461
15	3000: Employee Benefits	3,285,953	3,807,246	4,295,056						30,525	33,650	35,545
16	4000: Books and Supplies	356,957	506,710	544,813		59,975	\$ 114,731	\$ 111,697		4,303	5,500	5,500
17	5000: Services and Other Operating Expenses	4,021,951	4,610,291	5,115,874		71,989	2,100			12,323	16,500	16,800
18	6000: Capital Outlay	192,209	240,221	192,533		152,205	31,871	37,000		13,364	65,000	65,000
19	7000: Financial Aid/Scholarships/Debt Svc											
20	Total Expenditures	\$ 19,014,000	\$ 20,440,369	\$ 22,869,498		\$ 284,169	\$ 148,702	\$ 148,697		\$ 145,199	\$ 208,182	\$ 219,306
21												
22	Excess of Revenues Over Expenditures											
23	Prior to Intra/Interfund Transfers	\$ 1,843,876	\$ 1,489,424	\$ 1,433,376		\$ (13,976)	\$ -	\$ -		\$ 17,171	\$ (50,182)	\$ (61,306)
24												
25	Intra/Interfund Transfers Out	\$ 1,594,965	\$ 1,464,126	\$ 1,433,376		\$ -		\$ -				
26												
27												
28	Intra/Interfund Transfers In			\$ -								\$ -
29												
30												
31	Net Change in Ending Fund Balance	\$ 248,911	\$ 25,298	\$ -		\$ (13,976)	\$ -	\$ -		\$ 17,171	\$ (50,182)	\$ (61,306)
32												
33												
34	Beginning Fund Balance	\$ 1,711,353	\$ 1,960,264	\$ 1,985,562		\$ 13,976	\$ -	\$ -		\$ 239,480	\$ 256,651	\$ 206,469
35												
36	Ending Fund Balance	\$ 1,960,264	\$ 1,985,562	\$ 1,985,562		\$ -	\$ -	\$ -		\$ 256,651	\$ 206,469	\$ 145,163

Consolidated Summary All Funds
Final Budget FY 2006-07

	B	N	O	P	Q	R	S	T	U	V	W
2	Categorical Restricted Fund 27			Total General Fund			Child Development Center Fund 72				
3		Current	Final			Current	Final		Current	Final	
4		Budget	Budget			Budget	Budget		Budget	Budget	
5		FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07	FY 04/05	FY 05/06	FY 06/07
6	Revenue Description										
7	Federal Revenue	\$ 1,264,132	\$ 1,376,206	\$ 606,057		\$ 1,264,132	\$ 1,376,206	\$ 606,057	\$ 38,390	\$ 25,000	\$ 37,300
8	State Revenue	3,284,341	2,764,982	2,797,779		9,890,528	9,874,757	12,483,772	266,522	284,510	315,841
9	Local Revenue	1,085,437	825,833	993,641		15,769,689	15,952,553	15,917,219	286,858	363,241	289,785
10	Total Revenue	\$ 5,633,910	\$ 4,967,021	\$ 4,397,477		\$ 26,924,349	\$ 27,203,516	\$ 29,007,048	\$ 591,770	\$ 672,751	\$ 642,926
11											
12	Expenditures:										
13	1000: Academic Salaries	\$ 1,729,540	\$ 1,679,513	\$ 1,430,863		\$ 9,300,346	\$ 9,172,012	\$ 9,956,981			
14	2000: Non-Instructional Salaries	1,910,976	1,805,399	1,804,999		5,581,784	5,676,333	6,096,564	\$ 548,890	\$ 481,461	\$ 478,585
15	3000: Employee Benefits	892,997	978,498	985,911		4,209,475	4,819,394	5,316,512	206,673	240,794	209,904
16	4000: Books and Supplies	271,597	291,104	125,587		692,832	918,045	787,597	25,906	36,116	31,532
17	5000: Services and Other Operating Expenses	893,072	839,713	871,839		4,999,335	5,468,604	6,004,513	6,155	5,100	4,279
18	6000: Capital Outlay	588,859	532,744	40,155		946,637	869,836	334,688			
19	7000: Financial Aid/Scholarships/Debt Svc	464,406	495,030	490,125		464,406	495,030	490,125			
20	Total Expenditures	\$ 6,751,447	\$ 6,622,001	\$ 5,749,479		\$ 26,194,815	\$ 27,419,254	\$ 28,986,980	\$ 787,624	\$ 763,471	\$ 724,300
21											
22	Excess of Revenues Over Expenditures										
23	Prior to Intra/Interfund Transfers	\$ (1,117,537)	\$ (1,654,980)	\$ (1,352,002)		\$ 729,534	\$ (215,738)	\$ 20,068	\$ (195,854)	\$ (90,720)	\$ (81,374)
24											
25	Intra/Interfund Transfers Out	\$ 30,720	\$ 30,720	\$ 30,720		\$ 1,625,685	\$ 1,494,846	\$ 1,464,096	\$ -		
26											
27											
28	Intra/Interfund Transfers In	\$ 1,429,831	1,404,126	1,382,722		\$ 1,429,831	\$ 1,404,126	\$ 1,382,722	\$ 195,854	\$ 90,720	\$ 81,374
29											
30											
31	Net Change in Ending Fund Balance	\$ 281,574	\$ (281,574)	\$ -		\$ 533,680	\$ (306,458)	\$ (61,306)	\$ -	\$ -	\$ -
32											
33											
34	Beginning Fund Balance	\$ -	\$ 281,574	\$ -		\$ 1,964,809	\$ 2,498,489	\$ 2,192,031	\$ -	\$ -	\$ -
35											
36	Ending Fund Balance	\$ 281,574	\$ -	\$ -		\$ 2,498,489	\$ 2,192,031	\$ 2,130,725	\$ -	\$ -	\$ -

Consolidated Summary All Funds
Final Budget FY 2006-07

	B	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI						
	Capital Projects Fund 34				Property Development Fund 43				Measure E Construction Fund 60										
			Current	Final			Current	Final			Current	Final							
			Budget	Budget			Budget	Budget			Budget	Budget							
			FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07						
6	Revenue Description																		
7	Federal Revenue																		
8		\$	700,568	\$	60,000	\$	60,000												
9			276,618								562,662	400,000	300,000						
10		\$	977,186	\$	60,000	\$	60,000	\$	-	\$	-	\$	-	\$	562,662	\$	400,000	\$	300,000
11																			
12	Expenditures:																		
13	1000: Academic Salaries																		
14					\$	32,281					\$	15,111	\$	37,356	\$	39,692			
15						14,349					6,271	15,404	15,899						
16	4000: Books and Supplies																		
17		\$	237,014	\$	277,544	60,000		500,000			800,994	4,592,000	3,497,169						
18			1,233,494		10,000						102,716	545,000	14,100,000						
19	7000: Financial Aid/Scholarships/Debt Svc																		
20		\$	1,470,509	\$	287,544	\$	106,630	\$	-	\$	500,000	\$	-	\$	925,092	\$	5,189,760	\$	17,652,760
21																			
22	Excess of Revenues Over Expenditures																		
23		\$	(493,323)	\$	(227,544)	\$	(46,630)	\$	-	\$	(500,000)	\$	-	\$	(362,430)	\$	(4,789,760)	\$	(17,352,760)
24																			
25	Intra/Interfund Transfers Out																		
26		\$	-																
27																			
28	Intra/Interfund Transfers In																		
29				\$	-	\$	-	500,000											
30																			
31		\$	(493,323)	\$	(227,544)	\$	(46,630)	\$	-	\$	-	\$	-	\$	(362,430)	\$	(4,789,760)	\$	(17,352,760)
32																			
33																			
34	Beginning Fund Balance																		
35		\$	767,497	\$	274,174	\$	46,630				26,353,806	25,991,376	21,201,616						
36		\$	274,174	\$	46,630	\$	0	\$	-	\$	-	\$	-	\$	25,991,376	\$	21,201,616	\$	3,848,856

Consolidated Summary All Funds
Final Budget FY 2006-07

	B	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS
		Measure E Debt Service Fund 21			Long Term Debt Fund 92			Associated Student Body Fund 47			
		Current	Final		Current	Final		Current	Final		
		Budget	Budget		Budget	Budget		Budget	Budget		
		FY 04/05	FY 05/06	FY 06/07	FY 04/05	FY 05/06	FY 06/07	FY 04/05	FY 05/06	FY 06/07	
2	Revenue Description										
3	Federal Revenue										
4	State Revenue	\$ 16,998	\$ 15,000	\$ 15,000							
5	Local Revenue	\$ 2,558,228	\$ 2,970,000	\$ 2,370,100				\$ 140,672	\$ 104,675	\$ 108,200	
6	Total Revenue	\$ 2,575,226	\$ 2,985,000	\$ 2,385,100				\$ 140,672	\$ 104,675	\$ 108,200	
7	Expenditures:										
8	1000: Academic Salaries										
9	2000: Non-Instructional Salaries										
10	3000: Employee Benefits										
11	4000: Books and Supplies							\$ 36,874	\$ 26,665	\$ 31,425	
12	5000: Services and Other Operating Expenses							66,791	73,510	72,275	
13	6000: Capital Outlay							5,658	2,500	2,500	
14	7000: Financial Aid/Scholarships/Debt Svc	\$ 876,905	\$ 2,662,650	\$ 2,881,140				2,800	2,000	2,000	
15	Total Expenditures	\$ 876,905	\$ 2,662,650	\$ 2,881,140	\$ -	\$ -	\$ -	\$ 112,122	\$ 104,675	\$ 108,200	
16	Excess of Revenues Over Expenditures										
17	Prior to Intra/Interfund Transfers	\$ 1,698,321	\$ 322,350	\$ (496,040)	\$ -	\$ -	\$ -	\$ 28,550	\$ -	\$ -	
18	Intra/Interfund Transfers Out	\$ -				\$ 500,000					
19	Intra/Interfund Transfers In	\$ -	\$ -	\$ -		\$ -					
20	Net Change in Ending Fund Balance	\$ 1,698,321	\$ 322,350	\$ (496,040)	\$ -	\$ (500,000)	\$ -	\$ 28,550	\$ -	\$ -	
21	Beginning Fund Balance	\$ 202,484	\$ 1,900,805	\$ 2,223,155	\$ 3,002,068	\$ 3,002,068	\$ 2,502,068	\$ 143,983	\$ 172,533	\$ 172,533	
22	Ending Fund Balance	\$ 1,900,805	\$ 2,223,155	\$ 1,727,115	\$ 3,002,068	\$ 2,502,068	\$ 2,502,068	\$ 172,533	\$ 172,533	\$ 172,533	

Consolidated Summary All Funds
Final Budget FY 2006-07

	B	AT	AU	AV	AW	AX	AY	AZ	BA	BB	BC	BD
2		Financial Aid Fund 48				Student Center Fund 66				Total Fiduciary Fund		
3			Current	Final			Current	Final			Current	Final
4		Actual	Budget	Budget		Actual	Budget	Budget		Actual	Budget	Budget
5		FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07		FY 04/05	FY 05/06	FY 06/07
6		Revenue Description										
7		\$ 1,991,870	\$ 1,738,974	\$ 1,726,233						1,991,870	1,738,974	1,726,233
8										-	-	-
9						\$ 149,872	\$ 148,705	\$ 145,205		290,544	253,380	253,405
10		\$ 1,991,870	\$ 1,738,974	\$ 1,726,233		\$ 149,872	\$ 148,705	\$ 145,205		\$ 2,282,414	\$ 1,992,354	\$ 1,979,638
11												
12		Expenditures:										
13		1000: Academic Salaries										
14						\$ 46,878	\$ 41,534	\$ 45,668		\$ 46,878	\$ 41,534	\$ 45,668
15		2000: Non-Instructional Salaries										
16						17,638	16,910	18,215		17,638	16,910	18,215
17		3000: Employee Benefits										
18										36,874	26,665	31,425
19		4000: Books and Supplies										
20		\$ 4,264	\$ 6,200	\$ 6,000		49,251	62,000	62,000		120,306	141,710	140,275
21		5000: Services and Other Operating Expenses										
22							88,000	5,000		5,658	90,500	7,500
23		6000: Capital Outlay										
24		1,987,606	\$ 1,732,774	1,720,233		12,720	12,720			2,003,126	1,747,494	1,722,233
25		7000: Financial Aid/Scholarships/Debt Svc										
26		\$ 1,991,870	\$ 1,738,974	\$ 1,726,233		\$ 126,488	\$ 221,164	\$ 130,883		\$ 2,230,480	\$ 2,064,813	\$ 1,965,316
27		Total Expenditures										
28		Excess of Revenues Over Expenditures										
29		\$ -	\$ -	\$ -		\$ 23,384	\$ (72,459)	\$ 14,322		\$ 51,934	\$ (72,459)	\$ 14,322
30		Prior to Intra/Interfund Transfers										
31		Intra/Interfund Transfers Out										
32										-	-	-
33		Intra/Interfund Transfers In										
34										-	-	-
35		Net Change in Ending Fund Balance										
36		\$ -	\$ -	\$ -		\$ 23,384	\$ (72,459)	\$ 14,322		\$ 51,934	\$ (72,459)	\$ 14,322
37		Beginning Fund Balance										
38		\$ -	\$ -	\$ -		\$ 188,948	\$ 212,332	\$ 139,873		\$ 332,931	\$ 384,865	\$ 312,406
39		Ending Fund Balance										
40		\$ -	\$ -	\$ -		\$ 212,332	\$ 139,873	\$ 154,195		\$ 384,865	\$ 312,406	\$ 326,728

Consolidated Summary All Funds
Final Budget FY 2006-07

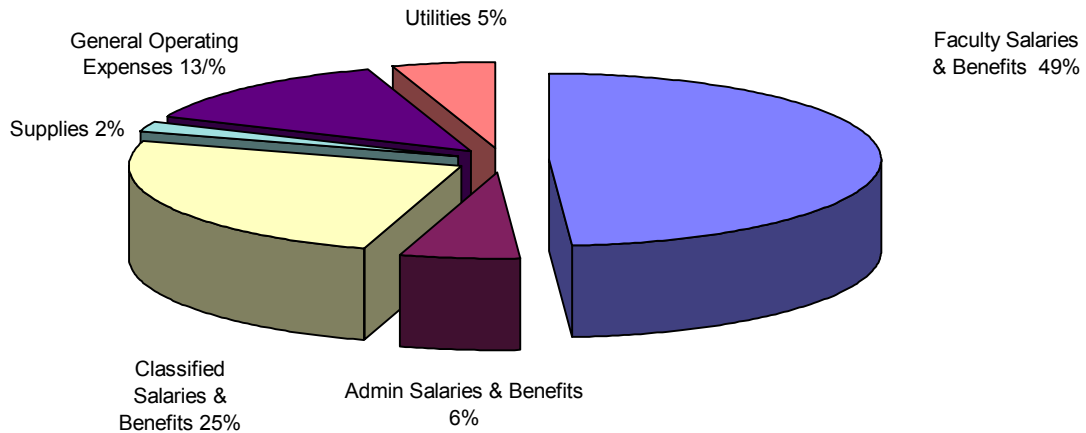
	B	BH	BI	BJ	BK	BL	BM
2	Total All Funds for Memorandum Only						
3					Current	Final	
4				Actual	Budget	Budget	
5				FY 04/05	FY 05/06	FY 06/07	
6	Revenue Description						
7	Federal Revenue			\$ 3,294,392	\$ 3,140,180	\$ 2,369,590	
8	State Revenue			10,874,616	10,234,267	12,874,613	
9	Local Revenue			19,744,599	19,939,174	19,130,509	
10	Total Revenue			\$ 33,913,607	\$ 33,313,621	\$ 34,374,712	
11							
12	Expenditures:						
13	1000: Academic Salaries			\$ 9,300,346	\$ 9,172,012	\$ 9,956,981	
14	2000: Non-Instructional Salaries			6,192,663	6,236,684	6,692,790	
15	3000: Employee Benefits			4,440,057	5,092,502	5,574,879	
16	4000: Books and Supplies			755,612	980,826	850,554	
17	5000: Services and Other Operating Expenses			6,163,804	10,984,958	9,706,236	
18	6000: Capital Outlay			2,288,505	1,515,336	14,442,188	
19	7000: Financial Aid/Scholarships/Debt Svc			3,344,437	4,905,174	5,093,498	
20	Total Expenditures			\$ 32,485,424	\$ 38,887,492	\$ 52,317,126	
21							
22	Excess of Revenues Over Expenditures						
23	Prior to Intra/Interfund Transfers			\$ 1,428,183	\$ (5,573,871)	\$ (17,942,414)	
24							
25	Intra/Interfund Transfers Out			\$ 1,625,685	\$ 1,994,846	\$ 1,464,096	
26							
27							
28	Intra/Interfund Transfers In			\$ 1,625,685	\$ 1,994,846	\$ 1,464,096	
29							
30							
31	Net Change in Ending Fund Balance			\$ 1,428,183	\$ (5,573,871)	\$ (17,942,414)	
32							
33							
34	Beginning Fund Balance			\$ 32,623,595	\$ 34,051,778	\$ 28,477,907	
35							
36	Ending Fund Balance			\$ 34,051,778	\$ 28,477,907	\$ 10,535,493	

General Fund Expenditures by Object Code
Final Budget 2006-07

	A	B	C	D	E	F	G	H	I
1									
2				Faculty	Admin	Classified		General	
3	Account			Salaries &	Salaries &	Salaries &	Supplies	Operating	
4	Number	Description	Amount	Benefits	Benefits	Benefits	Materials	Expenses	Utilities
5	1110	Instructors	\$ 4,528,366	\$ 4,528,366					
6	1112	Instructor Stipends	140,793	140,793					
7	1180	Faculty Overload	170,800	170,800					
8	1190	Substitute Instructors	78,780	78,780					
9	1220	Project Director/Certificated	75,465	75,465					
10	1240	Vice-President/ Dean	801,147		801,147				
11	1250	Librarians	96,458	96,458					
12	1260	Superintendent/President	206,000		206,000				
13	1270	Counselors	496,075	496,075					
14	1310	Adjunct Faculty	1,837,354	1,837,354					
15	1312	Adjunct Faculty-Stipends	42,490	42,490					
16	1340	Board of Trustees	23,040		23,040				
17	1910	Faculty Senate/President	29,350	29,350					
18	2110	Instructional Aide	320,524			320,524			
19	2210	Non-instructional Salaries	2,784,315			2,784,315			
20	2211	Classified Overtime	3,000			3,000			
21	2220	Program Director, Classified	904,610			904,610			
22	2305	Assistant Coaches	52,500			52,500			
23	2310	Hourly Non-Instructional Salaries	70,275			70,275			
24	2315	Hourly Institutional Work Study	59,880			59,880			
25	3100	STRS,PERS,Medicare,Wks Comp	2,052,525	1,210,990	164,202	677,333			
26	3400	Dental, Medical, Vision, Life, 457	1,804,774	1,064,817	144,382	595,575			
27	3400	Retiree-Health Benefits	437,757	230,917		206,840			
28	4200	Books	5,200				5,200		
29	4310	Instructional Supplies	268,497				268,497		
30	4510	Office Supplies	101,725				101,725		
31	4530	Grounds & Maintenance Supplies	35,400				35,400		
32	4540	Custodial Supplies	61,700				61,700		
33	4550	Fuel/Oil	33,000				33,000		
34	4570	Meeting Expenses	21,748				21,748		
35	4711	Clothing/Uniforms	17,543				17,543		
36	5100	Contracted Instructed Services	6,500				6,500		
37	5130	Athletic Services	24,395				24,395		
38	5140	Instructional- Police Academy	1,100,000	1,100,000					
39	5140	Consultants/Instructional	205,000					205,000	
40	5150	Printing	120,622					120,622	
41	5155	Postage	87,100					87,100	
42	5210	Faculty Travel	18,305					18,305	
43	5220	Board Travel	7,000					7,000	
44	5230	Administration Travel	13,500					13,500	
45	5240	Team/Student Field Trip	5,650					5,650	
46	5250	Mileage	18,875					18,875	
47	5260	Classified Travel	12,400					12,400	
48	5290	Special Event	5,890					5,890	
49	5300	Memberships/Subscriptions	106,373					106,373	
50	5420	All Other Insurance	130,000					130,000	
51	5425	Licenses\Permits\Fees	29,081					29,081	
52	5430	Team Accident Insurance	29,400					29,400	
53	5510	Gas	255,000						255,000
54	5511	Electric	487,000						487,000
55	5520	Water	152,200						152,200
56	5530	Utilities-Telephone	131,953						131,953
57	5540	Sewer	72,343						72,343
58	5545	Trash Collection	18,615						18,615
59	5550	Laundry/Dry Cleaning	1,000					1,000	
60	5610	Rent & Leases	346,310					346,310	
61	5630	Repairs/Maintenance	435,787					435,787	
62	5636	Software Support/Maintenance	158,780					158,780	
63	5638	Hazardous Waste	15,500					15,500	
64	5810	Legal Services	70,000					70,000	

General Fund Expenditures by Object Code
Final Budget 2006-07

	A	B	C	D	E	F	G	H	I
1									
2				Faculty	Admin	Classified		General	
3	Account			Salaries & Benefits	Salaries & Benefits	Salaries & Benefits	Supplies	Operating Expenses	
4	Number	Description	Amount	Benefits	Benefits	Benefits	Materials	Expenses	Utilities
65	5812	Auditing/Election Services	120,000					120,000	
66	5823	Advertising	185,065					185,065	
67	5825	Administrative/Collection Fees	11,500					11,500	
68	5831	Contracted Services/Noninstruc	654,959					654,959	
69	5834	Fingerprinting/TB Test	7,400					7,400	
70	5840	Accreditation	11,200					11,200	
71	5841	Consultants/Non Instructional	29,646					29,646	
72	5843	Awards/Recognition Dinner	5,000					5,000	
73	5846	Charge Card Fees	26,525					26,525	
74	6400	Software & Equipment \$500-\$5,000	192,533					192,533	
75									
76		Total	\$ 22,869,498	\$ 11,102,654	\$ 1,338,771	\$ 5,674,853	\$ 575,708	\$ 3,060,401	\$ 1,117,111
77	Percentage of Total Expenditures (rounded)		100%	49%	6%	25%	2%	13%	5%
78									
79									
80									
81									
82									
83									



**Schedule of Intrafund and Interfund Transfers
Final Budget FY 2006-07**

Intrafund Transfers to Restricted General Fund (see note 1)		
Community Services Classes	\$ 100,000	
Disability Resource Center (DRC)	1,000,000	
Extended Opportunities Programs and Services (EOPS)	123,249	
Federal Work Study Program (FWSP)	18,550	
MESA Grant	70,923	
ROP (see note 2)	70,000	
Total Intrafund Transfers	1,382,722	1,382,722

Interfund Transfers		
Child Development Center (CDC) (see note 1)	30,326	
Contribution to CDC (see note 3)	20,328	
Total Interfund Transfers	50,654	50,654

Total General Fund Intrafund/Interfund Transfers	\$ 1,433,376
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Note 1 Transfers to CDC,DRC, EOPS, FSWP, and MESA are required to meet funding agency requirements for a General Fund cash match .

Note 2 Transfer to ROP is necessary in order to receive the district's total allocation.

Note 3 Transfer to CDC is to offset potential CDC deficit

Restricted General Fund
Final Budget FY 2006-07

	A	B	C	D	E	F	G	H	I	J	K
1			----- Community Education -----			Equal	---- DRC ----		----- EOPS -----		
2		Object	Community	Contract	College4Youth	Employment	Programs	Workability	Cal Wks	CARE	EOPS
3		Code	Svcs Classes	Education	STAR	Opportunity					
4	Revenues										
5	Federal										
6	State					\$ 10,470	\$ 681,098	\$ 180,004	\$ 87,484	\$ 134,440	\$ 474,391
7	Local		\$ 200,002	\$ 258,434	\$ 100,000						
8	Total		\$ 200,002	\$ 258,434	\$ 100,000	\$ 10,470	\$ 681,098	\$ 180,004	\$ 87,484	\$ 134,440	\$ 474,391
9											
10	Expenditures										
11	Cerrificated Salaries	1000					677,685	66,297	22,323		196,965
12	Classified Salaries	2000	83,653	180,568	55,055		459,704	56,218	22,428	34,520	110,375
13	Employee Benefits	3000	38,399	39,866	3,200		357,384	45,694	12,013	14,566	102,214
14	Instructional & Office Supplies, Meetings	4310	1,200	8,500	6,570		14,000			1,400	6,500
15	Contracted Services/ Speakers	5100	70,000	70,000	10,595		116,736				1,000
16	Printing & Postage	5150	21,000		600		219				100
17	Travel, Mileage	5210	250	5,250			13,100			1,600	5,300
18	Memberships/Subscriptions, Insurance	5300			1,000		1,000				500
19	Rent & Leases, Repairs, Software,Utilities	5610	7,000	12,750	3,900		19,115				1,800
20	Indirect cost	5710			6,580			11,795			
21	Advertising,Admin Fees	5800	6,500	13,500	12,500	10,470	10,000			1,500	10,322
22	Building Remodeling,Furniture,Equipment	6400					12,155				
23	Student Financial Aid, Books, Supplies	7510								80,854	154,437
24	Unrestricted Reserve, Other Outgo	7920									
25	Totals		\$ 228,002	\$ 330,434	\$ 100,000	\$ 10,470	1,681,098	\$ 180,004	\$ 56,764	\$ 134,440	\$ 589,513
26											
27	Transfer to Child Development Center								30,720		
28	Net Charge to General Fund		\$ 28,000	\$ 72,000	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 115,122
29											

Restricted General Fund
Final Budget FY 2006-07

	A	B	L	M	N	O	Q	R	S	T	U
1			----- EOPS -----		----- Financial Aid -----		----- Grants -----			Grant	Health
2		Object	GAIN	TANF	FWSP	BFAP	MESA	Nursing/Kaiser	Title V	TRIO	Fee
3		Code			Cal Grant			& Workforce	Subgrantee		Services
4	Revenues										
5	Federal				\$ 91,587				\$ 94,857	\$ 235,689	
6	State			\$ 19,997	227,000	\$ 196,000	\$ 81,500	\$ 55,514			
7	Local		\$ 70,439								\$ 93,655
8	Total		\$ 70,439	\$ 19,997	\$ 318,587	\$ 196,000	\$ 81,500	\$ 55,514	\$ 94,857	\$ 235,689	\$ 93,655
9											
10	Expenditures										
11	Cerrificated Salaries	1000					24,150		17,925	30,000	43,604
12	Classified Salaries	2000	51,179	5,368	120,116	129,816	89,869	33,458		82,093	
13	Employee Benefits	3000	19,260	2,788		57,184	23,707	22,056	6,027	30,530	13,411
14	Instructional & Office Supplies, Meetings	4310		2,800		2,000	2,500			19,415	7,365
15	Contracted Services/ Speakers	5100		1,800					70,905	1,000	
16	Printing & Postage	5150								1,000	
17	Travel, Mileage	5210		5,900		7,000	2,710			6,700	600
18	Memberships/Subscriptions, Insurance	5300								2,000	27,175
19	Rent & Leases, Repairs, Software,Utilities	5610								1,000	500
20	Indirect cost	5710					3,135			17,458	
21	Advertising,Admin Fees	5800			2,000		2,500				
22	Building Remodeling,Furniture,Equipment	6400								21,500	1,000
23	Student Financial Aid, Books, Supplies	7510		1,341	227,000					22,993	
24	Unrestricted Reserve, Other Outgo	7920									
25	Totals		\$ 70,439	\$ 19,997	\$ 349,116	\$ 196,000	\$ 148,571	\$ 55,514	\$ 94,857	\$ 235,689	\$ 93,655
26											
27	Transfer to Child Development Center										
28	Net Charge to General Fund		\$ -	\$ -	\$ 30,529	\$ -	\$ 67,071	\$ -	\$ -	\$ -	\$ -
29											

Restricted General Fund
Final Budget FY 2006-07

	A	B	V	W	X	Y	Z	AA	AB
1			Matriculation						
2		Object	Credit &	ROP	Science	SBDC	Tech	VTEA	
3		Code	Non Credit		Alive	Biotech	Prep		Total
4	Revenues								
5	Federal						\$ 75,250	\$ 108,674	\$ 606,057
6	State		\$ 270,250			\$ 379,631			2,797,779
7	Local			\$ 227,611	\$ 3,500	40,000			993,641
8	Total		\$ 270,250	\$ 227,611	\$ 3,500	\$ 419,631	\$ 75,250	\$ 108,674	\$ 4,397,477
9									
10	Expenditures								
11	Cerrificated Salaries	1000	74,480	175,415		90,493	7,526	4,000	1,430,863
12	Classified Salaries	2000	111,229	29,785		118,766	14,892	15,907	1,804,999
13	Employee Benefits	3000	49,351	55,685		81,556	5,260	5,760	985,911
14	Instructional & Office Supplies, Meetings	4310	1,000	2,000	2,000	4,587	10,000	33,750	125,587
15	Contracted Services/ Speakers	5100		31,626	500	73,070	24,678	29,897	501,807
16	Printing & Postage	5150	500		1,000	1,000			25,419
17	Travel, Mileage	5210	2,500	1,800		3,000	10,000	1,035	66,745
18	Memberships/Subscriptions, Insurance	5300	2,500			600		2,000	36,775
19	Rent & Leases, Repairs, Software,Utilities	5610	4,000	1,300		27,185			78,550
20	Indirect cost	5710	17,190			17,374	2,894	5,435	81,861
21	Advertising,Admin Fees	5800	2,000			2,000		7,390	80,682
22	Building Remodeling,Furniture,Equipment	6400	2,000					3,500	40,155
23	Student Financial Aid, Books, Supplies	7510	3,500						490,125
24	Unrestricted Reserve, Other Outgo	7920							-
25	Totals		\$ 270,250	\$ 297,611	\$ 3,500	\$ 419,631	\$ 75,250	\$ 108,674	\$ 5,749,479
26									
27	Transfer to Child Development Center								30,720
28	Net Charge to General Fund		\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 1,382,722
29									

**Personnel
Unrestricted General Fund**

INSTRUCTIONAL PROGRAMS - ALL FACULTY - UNRESTRICTED			
	ACTUAL	ACTUAL	BUDGET
	FY 04/05	FY 05/06	FY 06-07
LIFE SCIENCES UNRESTRICTED			
Biology	0.00	1.00	1.00
Zoology	0.00	0.00	0.00
Anatomy	0.45	0.45	0.45
Microbiology	0.55	0.55	0.55
Ecology	0.00	0.00	0.00
TOTAL	1.00	2.00	2.00
NATURAL SCIENCES - UNRESTRICTED			
Physical Science	0.00	0.00	0.00
Physics	0.70	0.70	0.50
Chemistry	1.00	1.00	1.00
TOTAL	1.70	1.70	1.50
SOCIAL SCIENCES - UNRESTRICTED			
Anthropology	0.00	1.00	1.00
Psychology	0.00	0.00	0.00
History	2.00	2.00	2.00
Sociology	0.00	0.00	0.00
Political Science	1.00	1.00	1.00
Admin of Justice	0.80	1.00	1.00
Psychology	0.00	0.00	1.00
Child Development	2.00	1.80	2.00
TOTAL	5.80	6.80	8.00
ENGLISH - UNRESTRICTED			
English	2.40	3.40	3.80
English Comp	2.60	2.60	3.00
Remedial English	0.40	0.40	0.40
Comparative Literature	0.00	0.00	0.00
Remedial Reading	0.80	0.80	0.80
Reading and Writing	0.40	0.40	0.40
TOTAL	6.60	7.60	8.40
ESL - UNRESTRICTED			
ESL	4.00	4.00	4.00
TOTAL	4.00	4.00	4.00
FINE ARTS - UNRESTRICTED			
Speech Debate	0.20	0.20	0.20
Speech Communication	1.00	1.00	1.00
Journalism	0.60	0.60	1.00
Art	1.00	1.00	1.00
Studio Art	1.00	1.00	1.00
Music/Music Theory	1.00	2.00	2.00
Dramatic Arts	0.80	0.80	0.80
Spanish	2.00	2.00	2.00
Philosophy	1.00	1.00	1.00
Theatre	0.00	0.00	1.00
TOTAL	8.60	9.60	11.00
MATHEMATICS - UNRESTRICTED			
Math	5.70	6.30	6.50
TOTAL	5.70	6.30	6.50

CLASSIFIED PERSONNEL - UNRESTRICTED			
	ACTUAL	ACTUAL	BUDGET
	FY 04/05	FY 05/06	FY 06-07
INSTRUCTIONAL PROGRAMS - UNRESTRICTED			
Business Office Tech	0.75	0.75	0.75
Athletics	1.50	1.50	1.50
Aviation Tech	0.63	0.63	0.625
Dramatic Arts	0.75	0.75	1.00
Chemistry	0.75	0.75	0.75
Cosmetology	0.50	0.50	0.50
ESL	0.75	0.75	1.25
Health Education	0.75	1.00	1.00
Curriculum	1.00	1.00	1.25
Academic Admin	2.00	2.00	2.00
Learning Center	0.75	0.75	0.75
Library	3.50	3.50	3.50
Media Services	1.50	1.50	1.50
Tutoring	1.35	1.35	2.35
Computer Place	1.00	1.00	1.00
Child Development	0.00	0.00	0.00
TOTAL	17.48	17.73	19.73
STUDENT SUPPORT SERVICES - UNRESTRICTED			
Admissions & Records	5.95	5.00	5.00
Financial Aid	1.63	1.444	1.94
Transfer Center	1.00	1.00	1.00
Enrollment Management	0.00	1.95	2.00
Counseling	0.25	0.00	0.00
TOTAL	8.83	9.39	9.94
ADMINISTRATIVE SUPPORT - UNRESTRICTED			
Custodial	5.50	5.50	5.50
Maintenance	1.80	1.80	2.80
Grounds	3.00	3.00	4.00
Business Services	5.00	5.00	5.00
Management Info Systems	4.00	4.00	4.00
Reprographics	1.00	1.00	1.00
Switchboard	1.88	1.88	1.88
Purchasing	1.00	1.00	1.00
Receiving	1.00	1.00	1.00
Personnel	0.00	0.00	0.00
Security	1.95	1.95	1.95
Community Development and Grants Mgt	0.00	1.00	1.00
Facilities Use Scheduler	1.00	1.00	1.00
TOTAL	27.13	28.13	30.13
TOTAL CLASSIFIED UNRESTRICTED	53.44	55.24	59.79
CONFIDENTIAL/SUPERVISORY - UNRESTRICTED			
President/Board of Trustees	2.00	2.00	2.00
Instructional Programs	2.00	2.00	2.00
Student Support	4.60	4.60	4.65
Business Services/Admin	8.50	8.50	8.50
TOTAL	15.10	17.10	17.15

Gavilan Joint Community College District Governing Board Agenda

November 11, 2003

Consent Agenda Item No.
Old Business Agenda Item No.
New Business Agenda Item No.

Administrative Services

SUBJECT: Revise Facility Master Plan Dated January 9, 2001

- Resolution: BE IT RESOLVED,
 Information Only
 Action Item

Proposal:

That the Board approve a revision to the current Facility Master Plan dated January 9, 2001.

Background:

In January 2000, the Board approved the current Educational Master Plan. A primary objective of the Educational Master Plan is, "To provide the foundation for a facilities plan that supports the anticipated courses, programs and services of the college for the next decade and to assure that the plan is flexible enough to accommodate changes in instructional methodology, technology and delivery systems."

On January 9, 2001 the Board approved a Facilities Master Plan. The process included many meetings of the Governing Board Facilities Committee, the Facilities Master Plan Task Force (25 + members), and other interested individuals.

In an effort to update the Facilities Master Plan, in May 2003, the District President's Council approved a list of top ten facility projects based on a survey that solicited input from students and staff. The District consultants reviewed the list in designing a community survey that was taken during June 2003. This information was then reviewed with staff during the District's staff development day.

A community questionnaire was then sent out to district residents to find out what the top priorities were for the District. The District also held three meetings with the volunteer Community Advisory Group.

All this information has been used to refine and develop the attached list of projects as an addendum and revision to the current Facilities Master Plan. The revision includes three critical determinations:

- 1- In tough economic times, community colleges, including Gavilan College, are critically important to re-train people who want to expand their job skills;
- 2- Statewide budget cuts are damaging Gavilan College's ability to provide a high quality education for local students; and
- 3- Because University of California and California State University systems are becoming more expensive, more people rely on community colleges, therefore Gavilan College must be upgraded so it can provide local students with a high quality education they might not otherwise receive.

Budgetary Implications:

None at this time.

Follow Up/Outcome:

Incorporate the approved revisions into an updated Facilities Master Plan dated November 11, 2003.

Recommended By: Dr. Steven M. Kinsella

Prepared By: JOSEPA D KEELER
Joseph D. Keeler, Vice President of Administrative Services

Agenda Approval: Steven M. Kinsella
Superintendent/President

GAVILAN COLLEGE

WORKING DRAFT, Estimated Costs will continue to be refined by Facilities experts.

FACILITY/BOND ISSUES

To improve safety, provide greater access and meet increasing enrollment demands from local students who reside in our District (from Bernal Road in San Jose through South Santa Clara County and San Benito County).

* Maximize Use of Existing Facilities

\$

68,404,000

* Ensure Educational Opportunities for Future Generations

\$

39,596,000

*Include fiscal protections and accountability.

\$

108,000,000

Maximizing Use of Existing Facilities

I. Improve Safety and Accessibility

II. Modernize and Renovate Facilities and Infrastructure

I. Improve Safety and Accessibility

Meet state standards for disabled access to campus buildings and classrooms

30-year old campus does not meet current legal standards for disabled access

Expand doorways, add ramps, and other essential upgrades to make all classrooms accessible to all students.

\$1,000,000

Create accessible pathways from parking lots to all classrooms

\$1,500,000 \$

2,500,000

Ensure student and staff safety through essential upgrades and improvements

Roadways were designed for a smaller student body and less traffic. Pathways were designed for less foot traffic. In event of natural or manmade disaster it would be impossible to evacuate quickly using current configuration. Evening lighting is inadequate to maximum use of facilities.

Improve safety on campus roadways and create an emergency evacuation route

\$2,000,000

Enhance fire safety

\$500,000

Improve the lighting and security of the Gilroy campus to increase access during the evenings

\$1,000,000 \$

3,500,000

Install and repair fire safety equipment including alarms, smoke detectors, sprinklers and fire safety doors

Increase the number of parking spaces to meet urgent student demands and get cars off of neighborhood streets

Parking is already at capacity on the main campus. It will be impossible to accommodate additional students without heavy negative impacts on surrounding neighborhood unless additional campus parking is created.

\$2,000,000 \$

2,000,000

II. Upgrade and repair buildings, classrooms and labs

Remodel 30-year old job-training classrooms to provide the lighting, technology and configuration best suited to a modern learning environment. Convert unfilled lecture halls to classrooms that support 30-40 students.

Improve insulation and replace antiquated ventilation, heating, lighting and air conditioning systems to increase energy efficiency and save money on utility bills

30-year old instructional facilities are leaving our students behind. Original lecture-hall configuration is inefficient for today's participatory classes. Current facilities are insufficient to prepare graduates for the workplace of the 21st century. Without air conditioning and proper ventilation, facilities are unsafe to use during the afternoons and evenings of hottest months. Computers require air conditioning to function properly.

Art	\$1,567,000	
Art Lecture	\$2,575,000	
Business Building	\$2,920,000	
CJ500	\$125,000	
Chemistry	\$1,525,000	
Cosmetology	\$1,575,000	
Humanities	\$1,525,000	
TV Studio	\$1,125,000	
Life Science	\$2,185,000	
Occupational Ed	\$2,375,000	
Physical Science	\$1,530,000	
Physical Education	\$4,200,000	
Social Science	\$3,225,000	
Swimming pools	\$1,250,000	
Instructional technological infrastructure	\$3,500,000	\$31,202,000

Repair and Upgrade buildings, the library and technology systems to provide centralized, up-to-date student support services

Facilities do not meet current needs and expectations. Without improvement, Gavilan College will be unable to offer students services comparable to those found at other colleges.

Expand and improve the outdated library to enhance access for community members, students, and staff for physical and electronic library resources and Community Media Access partnership.	\$7,500,000	
Improve Student Services Center to increase efficiency and access to Student Services, Academic Support, and study centers	\$5,000,000	
Replace obsolete computer system with an integrated student registration, class scheduling and accounting system	\$3,500,000	
Renovate the Maintenance/Receiving/Security Building to create a permanent facility housing all institutional support services.	\$1,202,000	\$17,202,000

Many institutional services are now housed in aging, temporary portable buildings

GLOSSARY

Administrators/Supervisors	Those employees responsible for managing the operations of the college and provide direction and leadership to all functions of the college.
Base Revenue	State apportionment revenue from the prior fiscal year plus increases for growth revenue, cost of living allowances and program improvement funds.
COLA	Cost of Living Allowance - a percentage increase applied to State of California apportionment revenue to offset expenditure increases in salaries and benefits, supplies and materials, and purchased services.
CSEA	California State Employees Association - The representative organization for all classified employees other than those who serve as confidential or supervisory employees.
Certificated Employee	An academic employee for which minimum qualifications have been established by the board of governors pursuant to Education Code Section 87356. Prior to 1990 an academic employee was required to meet minimum qualifications established for each academic discipline and upon completion, was issued a <i>certificate</i> .
Classified Employee	Classified employees provide professional, technical, and clerical support services that support classroom instruction and maintain the college. A classified employee is an employee defined by Education Code Section 88001 as an employee in a position that has a designated title, a regular minimum number of assigned hours per day, days per week, and months per year, a specific statement of duties required to be performed by the employees in each position, and has a regular monthly salary defined by a salary range for each position.
Confidential Employee	These employees are not represented by a bargaining unit and are either responsible for the management of specific support functions or serve in positions where confidentiality regarding negotiations is required.
FTES	Full Time Equivalent Student
GCFA	Gavilan College Faculty Association
JPA	Joint Powers Authorities - an organization formed by governmental entities, including community colleges for the purpose of providing services that each individual entity has the ability to provide.
Partnership for Excellence	A program offering special funds to California Community Colleges as a way of advancing innovating system-wide accountability for the California Community Colleges. The Colleges are to agree to make progress toward system outcome measures and report data to the state to demonstrate progress.

**Gavilan Joint Community College District
Budget Calendar FY 06/07**

<u>Event</u>	<u>Deadline Date</u>	<u>Responsible Party</u>
State Budget Workshop-Sacramento	January 12, 2006	Cabinet
Development of Budget Calendar with Board and College Budget Committees	January 31, 2006	Vice President of Administrative Services
Development of Budget Guidelines with Board and College Budget Committees Strategic Plan Board of Trustees Goals	February, 2006	Vice President of Administrative Services
Development of Revenue Projections State Apportionment Revenue COLA Growth Equalization PFE Special Equipment Local Revenue Sources Lottery Revenue Interest Revenue Facilities Revenue Community Education/Contract Education Miscellaneous	February, 2006	Vice President of Administrative Services and Director, Business Services
Compilation of Fixed and Committed Expenditures-Freeze File for Tentative Budget Lease Obligations Fixed Cost Schedule Updated/Revised Debt Service Other than Retiree Retiree Debt Service Obligations Maintenance Expenditures Utilities	February, 2006	Vice President of Administrative Services and Director, Business Services
Managers' Budget Workshops	February 6-10, 2006	Vice President of Administrative Services, Director, Business Services, and Director, Human Resources
Mid Year Review Budget to Actual Expenditures, All Funds	February 14, 2006	Board of Trustees
Approval of Budget Calendar	February 14, 2006	Board of Trustees
Reconciliation of Position Control File, (1/2/3's), All Position , All Departments, All Funds, Due to Vice President of Administrative Services Faculty Positions Classified Positions Supervisors and Confidentials Administrators	February 24, 2006	Cabinet
Budget Line Item Detail for Other Expenditures (4/5/6's) For All Departments/All Funds to the VP of Administrative Services	February 24, 2006	Cabinet
FY 2006-2007 Salary and Benefits Projections (Version #1) Due to Director, Business Services	March 10, 2006	Director, Human Resources
Approval of Budget Guidelines	March 14, 2006	Board of Trustees

Revenue and Expenditures Calculations; All Funds (Exhibit 2, Version #1) Due to VP of Administrative Services	March 17, 2006	Director, Business Services
Review Revenue and Expenditure Calculations with Board and College Budget Committees	March 28, 2006	Vice President of Administrative Services
Final Deadline for Changes to the Tentative Budget Document Due to VP of Administrative Services	April 3, 2006	Cabinet
FY 2006-07 Salary and Benefits Projections (Version #2) to the Director, Business Services	April 19, 2006	Director, Human Resources
Revenue and Expenditures Calculation; All Funds (Exhibit 2, Version #2) Due to VP of Administrative Services	April 27, 2006	Director, Business Services
Board and College Budget Committee Review of Tentative Budget Document	May 2, 2006	Vice President of Administrative Services
Governor's May Revise with District Review	May 22, 2006	Cabinet
Complete Tentative Budget to Printer	May 26, 2006	Vice President of Administrative Services
Tentative Budget Adopted by Board of Trustees	June 13, 2006	Board of Trustees
State Final Budget with District Review	July, 2006	Cabinet
Revise Tentative Budget For Final Budget	July 10, 2006	Cabinet
Final Deadline for the Addition of New Positions to the Final Budget. Freeze Position File for Final Budget Document. Due to VP of Administrative Services	July 21, 2006	Cabinet
Changes in Budget Line Item Detail for Other Expenditures (4/5/6's) Department Budgets/All Funds Due to VP of Administrative Services	August 1, 2006	Cabinet
Year-End Close, 2005-2006	August 15, 2006	Director, Business Services
Draft of Final Budget Document Available for Review	August 10, 2006	Vice President of Administrative Services
Board and College Budget Committees Review of Final Budget	August 22, 2006	Vice President of Administrative Services
Complete Final Budget to Printer	August 24, 2006	Vice President of Administrative Services
Approve Final Budget	September 12, 2006	Board of Trustees
Board and College Budget Committees Development of 2007-08 Budget Calendar	November, 2006	Vice President of Administrative Services

GAVILAN JOINT COMMUNITY COLLEGE DISTRICT

Budget Guidelines

FY 2006-2007

These budget guidelines are derived from several planning documents. The planning documents include the College's strategic plan and the annual goals established by the Board of Trustees. Other priorities in need of resource allocations are also included although they may not specifically fall under one major strategy or board priority. In developing the budget, resources will be allocated to the extent that funds are available.

In developing the Final Budget the College will first allocate sufficient resources to maintain those functions that support the mission of the College so that high quality instructional services can be offered to students.

Section 1 - Strategies from Strategic Plan 2006-2011

Gavilan College Mission Statement: In an environment that nurtures creativity and intellectual curiosity, Gavilan College serves the community by providing a high quality learning experience which prepares students for transfer, technical and public service careers, life-long learning, and participation in a diverse global society.

Strategy # 1 Optimize enrollment to reflect community needs and growth.

- Goal # 1 Increase the number of college-ready students who will graduate with an AA/AS degree and/or who can transfer within two years.
▶ *Costs included in current operating budget.*

- Goal # 2 Create an institutional approach to address student recruitment, outreach activities and retention efforts.
▶ *Costs included in current operating budget.*

- Goal # 3 Strengthen our career programs through a cohesive organizational approach such as creating an Occupational and Career Program Institute.
▶ *Costs included in current operating budget.*

- Goal # 4 Increase options for credit/non-credit courses for older adults and other constituencies as indicated in community needs surveys.
▶ *Costs included in current operating budget.*

- Goal # 5 Increase pre-collegiate credit courses and other learning support options to prepare students for entry into transfer and vocational programs.
▶ *Costs included in current operating budget.*

- Goal # 6 Expand alternate delivery of courses and services to meet needs of learners in the community such as online, telecourses, High Step, etc.
▶ *Costs included in current operating budget.*

Strategy # 2 Highlight student performance as a result of Gavilan College education.

Goal # 1 Collect data, package and market information on students' performance in the following areas:

For vocational programs – provide information on student performance on State licensing examinations.

For transfer programs – obtain information on how Gavilan students perform at four-year universities.

For Gavilan classes – obtain information about student success, retention, persistence.

▶ *Costs included in current operating budget.*

Goal # 2 Develop Alumni Program in cooperation with the Gavilan College Educational Foundation. Market information about Gavilan alumni.

▶ *Costs included in current operating budget.*

Strategy # 3 Improve and expand existing facilities to enhance the learning environment.

Goal # 1 Expand facilities in the northern part of the district by acquiring a site for the Coyote Valley campus.

▶ *Measure E Bond funded.*

Goal # 2 Expand facilities in the southern part of the district by acquiring a site for the San Benito County extension or campus.

▶ *Costs included in current operating budget.*

Goal # 3 Augment main campus facilities by formalizing plan for use of golf course property at Gilroy campus.

▶ *Project development funded.*

Goal # 4 Renovate Gilroy campus to current community college facility and ADA standards to offer students a comfortable, safe, modern learning environment where students, faculty and staff can come together around common interests.

▶ *Measure E Bond funded.*

Goal # 5 Maintain a well-kept campus.

▶ *\$49,000 (Custodian).*

Strategy # 4 Provide appropriate technology for delivery of instruction, student support services and management of College operations.

- Goal # 1** Obtain and install an Enterprise Resource Program to ensure better integration of services and more effective reporting.
▶ *Measure E Bond funded.*
- Goal # 2** Modernize technology in the classroom to support the delivery of instruction and to ensure 508 compliance.
▶ *Costs included in current operating budget.*
- Goal # 3** Modernize technology used by employees in accordance with the college-wide technology plan.
▶ *Costs included in current operating budget.*
- Goal # 4** Obtain and install technology systems designed to reduce energy consumption.
▶ *Costs included in current operating budget.*
- Goal # 5** Increase support services for all technology needs.
▶ *\$75,000 (MIS Technician).*

Strategy # 5 Recruit and develop staff to attract and retain an optimal student population

- Goal # 1** Develop and implement, within resource constraints, the Five Year Faculty Hiring Plan.
▶ *\$510,000 (Six (6) Faculty).*
- Goal # 2** Maintain competitive salary and benefit packages to ensure the attraction and retention of the best qualified employees.
▶ *Must be negotiated.*
- Goal # 3** Support staff learning and professional development opportunities to assist employees in maintaining excellence in their professions.
▶ *Costs included in current operating budget.*
- Goal # 4** Promote a healthy work environment that nurtures personal and professional development.
▶ *Costs included in current operating budget.*
- Goal # 5** Develop a concerted campus approach to improving customer services in administrative services, student services, and instructional services.
▶ *Costs included in current operating budget.*

Strategy # 6 Expand Gavilan's educational role by becoming a vital force in the development of the community.

- Goal # 1** Continue to support Gavilan College fine arts; specifically expanding the Music Program to increase the academic offerings for students and to develop music programs for the enjoyment of the community.
▶ *Costs included in current operating budget.*
- Goal # 2** Establish Gavilan College as a training provider to improve the local workforce by expanding fee based and credit educational opportunities for area business and industry.
▶ *Costs included in current operating budget.*
- Goal #3** Establish Gavilan College as a resource center for the community.
▶ *Costs included in current operating budget.*
- Goal # 4** Promote service learning projects and other collaborations between Gavilan students, staff, area businesses, and service and educational agencies.
▶ *Costs included in current operating budget.*
- Goal # 5** Explore Early College High School with Gilroy Unified School District.
▶ *Costs covered by grant.*

Section 2 – Board Goals for Calendar Year 2006

1. Establish policy direction that the College will pursue efforts to provide services to more members of the service area.
▶ *Costs included in current operating budget.*
2. Explore major initiatives that may be of interest to individual Board members and considered important to the constituencies of the Board members.
▶ *Costs included in current operating budget.*
3. Through involvement in community functions and activities, Board members should promote the College.
▶ *Costs included in current operating budget.*
4. Promote the development and distribution of a report to the community to explain Gavilan's mission, its general strategy and what it does to effectively and efficiently use public resources when providing services.
▶ *Costs included in current operating budget.*
5. Encourage and support changes on campus that are necessary to make Gavilan College the College of Choice:
 - a. Support efforts to continue development of an

Occupational Program Institute.

- b. Evaluate effectiveness of scheduling changes.
- c. Updating technology.
- d. Renovating facilities.
- e. Attract more transfer oriented students.

▶ *Costs included in current operating budget.*

- 6. Improve the overall appearance of the campus concentrating efforts on weed and trash abatement.
▶ *\$56,000 (Grounds Keeper).*
- 7. Develop a long-range budget strategy that connects strategy and the allocation of resources as necessary to achieve strategic initiatives.
▶ *Costs included in current operating budget.*
- 8. Provide direction on land use analyses to determine best use of College property in Gilroy.
▶ *Project development funded.*
- 9. Provide direction on establishment of sites in Coyote Valley, San Benito County.
▶ *Costs included in current operating budget.*
- 10. Ensure there is adequate planning and scheduling of campus wide renovation projects to minimize disruption of college operations during construction.
▶ *Measure E Bond funded.*
- 11. Become more involved in state and local activities.
▶ *Costs included in current operating budget.*
- 12. Expand Gavilan's educational role by becoming a vital force in the development of the community. Specific actions should include expansion of the Music Program by adding one full time faculty member to increase the academic offerings for students and to develop music programs for the enjoyment of the community.
▶ *Costs included in current operating budget.*
- 13. Assist with expanding Gavilan's educational role by becoming a vital force in the development of the community. Two major objectives of this goal are to:
 - a. Develop fee based education training programs for businesses thereby establishing Gavilan as a training provider to improve the local workforce.
 - b. Establish partnerships with Chambers of Commerce to

promote the college, advance the overall level of service provided to local businesses and promote follow up contract education activities.

▶ *Costs included in current operating budget.*

Section 3 – Other Items-Not Specified in Strategies or Board Goals

1. Explore health services offered by the student health services' program.
▶ *Costs included in current operating budget.*